

REGIONAL COUNCIL

AGENDA

PAGE #

TIME

January 9, 2003

- 1.0 CALL TO ORDER & PLEDGE OF ALLEGIANCE Councilmember Bernson, President
- 2.0 PUBLIC COMMENT PERIOD – Members of the public desiring to speak on items on the agenda, or items not on the agenda, but within the purview of the Council, must fill out and present a speaker's card to the Exec. Assistant prior to speaking. A speaker's card must be turned in before the meeting is called to order. Comments will be limited to three minutes. The President may limit the total time for all comments to twenty minutes.
- 3.0 CONSENT CALENDAR
- 3.1 Approval Items
- 3.1.1 Approve Minutes of Dec 5, 2002 Attachment 01
- 3.1.2 Contracts Attachment
- Parsons Brinkerhoff 14
 - The C2 Group 16
- 3.1.3 Sponsorship Request for the Western States Freight Summit Attachment 18
- NARC in collaboration with CALCOG is requesting funding from SCAG and other COGs to sponsor a Freight Summit in April 2003.
- Recommended Action:** Authorize a General Fund Expenditure of \$3,000
- 3.1.4 AMPO 2002-2003 Membership Dues Attachment 21
- Recommended Action:** Approve Annual Membership

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	PAGE #	TIME
<u>Consent Calendar Approval Items – Cont'd</u>		
3.1.5 <u>Approve SCAG Concurrence Designated Recipients of FTA Urbanized Area Formula funds for Census 2002 Newly Identified Urbanized Area over 200,000 in population in the SCAG Region</u> Attachment	25	
Recommended Action: Approve		
3.1.6 <u>FY 2002-2003 NARC Membership Dues</u> Attachment	35	
Recommended Action: Approve		
3.2 <u>Receive & File</u>		
3.2.1 <u>Contracts & Purchase Orders \$5,000 - \$25,000 (Info Only)</u> Attachment	39	
<u>Purchase Orders</u>		
<ul style="list-style-type: none">• Compaq Computer• Sodexo Marriott Services		
3.2.2 <u>Conflict of Interest Listing (Info Only)</u> Attachment	41	
3.3 <u>PRESIDENT'S REPORT</u>		
3.3.1 <u>Appointments</u>		
<ul style="list-style-type: none">• Hon. Sid Tyler, Pasadena, as Vice Chair, Administration Committee• Hon. Robin Lowe, Hemet, Personnel Committee• Hon. Jeff Miller, Corona, to TCC• Hon. Reyes Uranga, Long Beach, to TCC• Hon. Bruce Barrows, Cerritos, to Growth Visioning• Hon. Keith McCarthy, Downey, Water Policy• Hon. Ted Burgnon, Apple Valley, to CEHD representing SANBAG; and the Highway & Transportation Task Force		
3.4 <u>EXECUTIVE DIRECTOR'S REPORT</u>		



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4.0 ACTION ITEMS

4.1 Administration Committee Report

Mayor Dixon
Chair

- 4.1.1 Approve FY 02-03 Indirect Cost
Budget & Update of Budget
Amendment #1 Mailed Separately

Recommended Action: Approve

- 4.1.2 SCAG 2003 Legislative Program
Attachment

43

Gov't Affairs staff has developed SCAG's annual Legislative Program outlining federal and state legislative goals for 2003.

Recommended Action Approve

- 4.1.3 Service Agreement with the Antelope
Valley Transit Authority Mailed
Separately

Recommended Action: Authorize staff to negotiate a service agreement for providing a Transit Trip Itinerary Planning System.

4.2 Transportation & Communications Committee (TCC) Report

Mayor Roberts
Chair

- 4.2.1 Regional Transportation Plan (RTP)
Goals Attachment

51

Recommended Action: Approve RTP Revised Goals

- 4.2.2 RTP Baseline Definition
Attachment

55

Recommended Action: Approve RTP 2004 Baseline Definition

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		PAGE #	TIME
	<u>TCC Report - Cont'd</u>		
4.2.3	<u>Transportation Funding Shortfall Attachment</u>	60	
	Implication of the State's Transportation Funding Shortfall will be presented.		
4.3	<u>Energy & Environment Committee (EEC) Report</u>		
4.3.1	<u>Product Stewardship Principles Attachment</u>	Councilmember Young, Chair	70
	Recommended Action: Adopt Committee recommendation.		
4.3.2	<u>TCM Appendix for 2003 SCAQMP Attachment</u>	81	
	Recommended Action: Approve committee recommendation.		
4.4	<u>Community, Economic & Human Development (CEHD)</u>	Mayor Alexander Chair	
4.4.1	<u>Growth Vision Program Progress Report Attachment</u>	86	15 minutes
	Presentation on the progress of the Program in anticipation of the public launch scheduled for Jan. 21-22, 2003.		
4.4.2	<u>Technical Balanced Growth Projection Attachment</u>	96	
	Recommended Action: The FTTF recommends the development of a Technically Balanced Growth Projection using the technical criteria as recommended in the attached memo.		

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TIME

CEHD Report – Cont'd

- 4.4.3 Report on Redirecting Sprawl Within the Wall Attachment

100

Recommended Action: Approve the report

- 4.4.4 Housing Gridlock in the Fact of Growth: Fewer Choices/Higher Costs Separate Attachment

Recommended Action: Approve Annual Report

- 4.4.5 Report on : Economic Forecast Conference and Regional Housing Summit

- 4.5 Communications Committee Report

Councilmember
Proo, Chair

5.0 INFORMATION ITEMS

- 5.1 Monthly Financial Report Attachment

Bert Becker, CFO

102

The CFO provides a report which reflects Financial status and cash flow, General Fund Expenditure status and, on a quarterly basis a report on membership dues.

6.0 COMMENT PERIOD

Any Regional Council member or staff desiring to comment on items not covered on the agenda may do so at this time. Comments should be limited to three minutes.

REGIONAL COUNCIL

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7.0 LEGAL COUNSEL REPORT

7.1 Closed Session

- Pursuant to California Government Code Section §54956.9(a) SCAG v. HCD & BT&H

8.0 ADJOURNMENT

The next meeting is scheduled for Thursday, February 6, 2003 at SCAG Offices

SOUTHERN CALIFORNIA ASSOCIATION OF GOVERNMENTS

December 5, 2002

MINUTES

THE FOLLOWING MINUTES ARE A SUMMARY OF ACTIONS TAKEN BY THE REGIONAL COUNCIL. AUDIO CASSETTE TAPE OF THE ACTUAL MEETING IS AVAILABLE FOR LISTENING IN SCAG'S OFFICE.

The Regional Council of the Southern California Association of Governments held its meeting at the Ontario Convention Center in the City of Ontario and at the Salt Lake Palace in Salt Lake, City. The meeting was called to order by President Hal Bernson, City of Los Angeles. Colin Lennard, General Counsel, announced that members participating via video conference in Salt Lake City, Utah were not included as part of the quorum. There was a quorum at the Ontario site.

1.0 CALL TO ORDER & PLEDGE OF ALLEGIANCE

Led by Councilmember Lee Ann Garcia, Grand Terrace.

2.0 PUBLIC COMMENT PERIOD

There were no comments presented at this time.

3.0 CONSENT CALENDAR

President Bernson announced that due to member participation via video participants a roll call vote is required for action items.

The following consent calendar items were MOVED (Bass), SECONDED (Lowe).
By roll call there were 42 AYES and 0 NOES. The motion UNANIMOUSLY PASSED.

3.1 Approval Items

3.1.1 Approve Minutes of Nov 7, 2002

It was noted the Mayor Bev Perry attended the Nov. 7th meeting.

3.1.2 Contracts

- Leachman & Associates

3.2 Receive & File

3.2.1 Funding for RHNA - Letter on Suspension of Work

3.2.2 Contracts & Purchase Orders \$5,000 - \$25,000 (Info Only)

Purchase Orders

- Haver Analytics
- Pace Lithographers
- Promotional Source
- Southern California Leadership Network
- Typecraft Wood and Jones Inc.

3.2.3 Conflict of Interest Listing

3.2.4 Update on Committee Preferences

3.3 PRESIDENT'S REPORT

3.3.1 Approval of the Resolution Relating to the Former El Toro Marine Base

It was MOVED and SECONDED. By roll call there were 42 AYES and 0 NOES. The motion UNANIMOUSLY PASSED.

3.3.2 Appointments

Hon. Jeff Miller, Corona representing District 63 and Hon. Tonia Reyes Uranga, Long Beach, representing District 29, new RC members

- Hon. Lawrence Dale, Barstow
Maglev Task Force
- Hon. Larry Nelson, Artesia, to
Solid Waste Task Force
- Councilmember Susan Longville, City of San Bernardino, Growth
Visioning
- Councilmember Melanie Andrews, Compton, to CEHD

Water Task Force

- Don Kendall, GM, Kaegas Munipal Water District
- Martha Davis, Executive Manager, Inland Empire Utilities Agency
- Gerald Green, Water Resources Control Specialist, City of Downey
- Bob Ghirelli, Director, Tech Services, Orange County San District
- Paul Thakar, Chief, Engineering Services, District 7 Caltrans
- Adel Hagekahlil, Div Mgr. City of LA, Bureau of Sanitation
- Rick Harter, Ex Director, LA/San Gabriel River Watershed Council

3.4 EXECUTIVE DIRECTOR'S REPORT

Mark Pisano reported that he participated in several briefings on transportation funding. At the state level he attended a Business, Transportation and housing sessions, in which participants were told that there was a shortfall in the transportation fund estimate. This was based upon gas tax revenues and weight fees not meeting the forecasted levels that were assumed in the fund. He stated that the amount (coming out next week) is a significant one.

In visiting D.C., the Congress enacted a Continuing Resolution on the Appropriations. This resolution funds transportation at a \$27 billion level as opposed to what was proposed by Senate at a \$31 billion level. There has been an assumption of increase in the State Fund Estimate. This will be discussed at the State Transportation Commission sometime during the week of December 9th.

He noted that Congress will again consider an appropriations on Jan 11th at the federal level to determine whether or not to sustain the continuing resolution at the \$27 billion level. Staff was directed to conduct a major effort appealing that the appropriation level be raised to the original \$31 billion level as proposed by Congress.

Staff is currently attempting to convene the Congressional Delegation, tentatively scheduled for December 19, seeking a collaborate effort to call for an increase in the transportation funding. A letter was drafted that will specifically identify the potential reductions in the appropriations. The letter was circulated and signed by the Regional Council for mailing

4.0 ACTION ITEMS

4.1 Administration Committee Report

4.1.1 Fiscal Year 2002-2003 Budget Amendment No. 1

Mayor Dixon, Chair, stated that Councilmember Sid Tyler, Chair, Audit Committee would present a report from the Audit prior to the Budget Amendment report.

Councilmember Tyler reported that the Audit Financial Statements for year ending June 30th would not be ready for Regional Council review until March, 2003. He stated that the audit was completed in November and presented to the RC. The ICAP rate had not been released to SCAG by Caltrans. In addition he stated that this is the first use of the new SAP system and there were problems closing the books. To date the books have not been closed.

The Audit Committee recommended that at the conclusion of the audit, SCAG should look at how SAP is functioning relative to year end closing.

This will ensure that the process will be right next year as well as being on time. This review should be conducted by an outside entity. It was reported that the outside auditor concurred with the Audit Committee's recommendation.

Budget Amendment

Sondra Morison, Controller, gave a brief overview and update on Budget Amendment #1. She stated that the adopted OWP Budget funded SCAG staff at approximately 57% due to the inability to program estimated carryover funding (from FY 2001-2002) prior to the closing of that fiscal year. At the June 6 RC meeting, priorities were established for the use of the carryover funds in this Budget Amendment. The priorities included funding SCAG staff, new consultant work and subregional work. The amount of the projected carryover from FY 2001-2002 to FY 2002-2003 is less than previously anticipated. The primary reason for this is due to the volume of work that was completed in the prior fiscal year, therefore reducing the amount of carryover available for programming in this Budget Amendment.

It was recommended that Executive Director have the ability to change programs up to 10% as long as the bottom line was not impacted. Vice Mayor Lowe stated that she didn't have a problem with the recommendation, however she directed the Executive Director to highlight changes and bring back the RC as information.

Mayor Bates agreed that the Executive Director could make changes to the programs. However, he felt that an upper limit should be in place. He recommended that the limit not exceed \$25,000. In addition the Executive Director should discuss changes with the President prior to making them. Councilmember Proo requested to be notified of changes that may affect her subregion. It was recommended that the Regional Council accepts and approves the Audit Committee's recommendation and Budget Amendment #1.

It was MOVED (Dixon), SECONDED (Tyler). A roll call vote was requested. There were 41 AYES and 0 NOES. The motion UNANIMOUSLY approved to approve recommendation from the Audit Committee as well as Budget Amendment #1.

4.2 Transportation & Communications Committee (TCC) Report

4.2.1 Maglev Deployment of Initial Operating Corridor/Segment

The Transportation Efficiency Act for the 21st Century, known as TEA-21, contained funding for the development and implementation of a magnetically levitated train (Maglev) service in the United States. In 1999 SCAG, in partnership with the State of California's Business, Transportation and Housing Agency, was one of 7 states that participated in a National Competition.

In the last four years SCAG has completed three maglev feasibility studies which at build out would create a 270-mile maglev system within the SCAG Region. The three-maglev studies included the LAX to March AFB, LAX/Palmdale Airport, and the Los Angeles Union Passenger Terminal (LAUPT) to central Orange County.

On December 5, 2002 SCAG's Regional Council approved the "Initial Operating Segment" (IOS) for the Maglev system. The action included the IOS, continued work on all three of the corridors and qualified support for the proposed Nevada Maglev Project.

Assemblyman Keith Richmond, 39th District, presented a couple of comments on alternative funding. In addition he presented comments regarding transportation issues in North LA County. He stated the only route out of north LA County is the 405 freeway into the 5 freeway. There are no other transportation corridors in that portion of the region. Noting the importance of having a unified approach for an initial operating segment, he requested Regional Council approval on the amended language to continue work on the route between West LA and North LA County.

Comments

Comments were also presented by Greg Devereaux, City Manager, Ontario and Mayor Mike Gordan, El Segundo

Discussions

Councilmember Stanford stated that there was one recommendation with three components. First, the pre-development funding; for line from WLA to Ontario, as well as the implementation funding request for Orange County to Las Vegas. Second the inclusion of the WLA to Palmdale line as a subsequent corridor not an IOS. He recommended a substitute motion to include all three.

He stated that he recommended including all three because there appears to be no competition amongst the three. He recommended a subsequent motion: 1) That the RC support the Aviation TF and the TCC recommendation as stated in the staff report; 2) Supporting the application for predevelopment funding of the WLA to Union Station to ONT initial operating segment of the Maglev corridor.

In addition He recommended that SCAG support the Cal-Neveda Maglev system application for implementation funding; and thirdly that we also include WLA to Palmdale corridor as a subsequent corridor not an IOS.

It was MOVED (Stanford), and SECONDED (Bruesch).

Councilmember Lowe had concerns with combining a 3 component recommendation into one motion and recommended that the motions be separated into three individual recommendations. She recommended: 1) Approving the TCC recommendation that the initial IOS run from West Los Angeles to Ontario; 2) Direct the Maglev Task Force to advance planning on the LAX/March (those portions not included in the IOS), the LAX/Palmdale and the Union Station (LAUPT) to Orange County (Orange Line); and 3) Support Nevada's Maglev project (Orange County to Las Vegas) for pre-deployment and implementation as long as construction starts at both ends.

Councilmember Stanford and Councilmember Bruesch concurred.

The RC further directed the following actions:

Form a JPA or other structure that fosters Maglev Deployment; 2) Assist in securing federal, state and local funds to complete pre-deployment planning leading to Maglev implementation; and 3) Coalesce community support for Maglev project deployment.

The recommendation included a goal statement that stated that the “initial maglev segment should be in operation no later than 2010”.

Recommendation #1: Accept the TCC recommendation approving Segment #32 (LAX – West Los Angeles – Union Station – Ontario Airport – San Bernardino – March Global Port) as the initial operating corridor, with Ontario Airport – Union Station – West Los Angeles as the IOS. The IOS should not include LAX at this time.

A roll call was requested. There were 29 AYES and 12 NOES
The motion passed

Recommendation #2: Direct the Maglev Task Force to advance planning on Segment #33 (LAX – Palmdale) and Segment #28 (LA – Orange County); to coalesce community support for Maglev deployment; to work with Maglev stakeholders to form joint powers authorities; and to assist and secure federal, state, and local funds.

A roll call was requested. There were 36 AYES and 4 NOES
The motion passed

Recommendation #3: Support the California-Nevada Interstate Maglev Project, from Orange County to Las Vegas, including an application for implementation funding, with construction to start at both ends. Mayor Bates noted it should say pre-deployment and implementation. That was accepted.

A roll call was requested. There were 29 AYES and 6 NOES.
The motion passed

Councilmember Bruesch stated that the fact is that the route goes through the SGV and many communities along the 10 freeway. The amount of affordable housing should be considered as these IOS are being implemented. He felt that there is a need to be sensitive to the fact that the statistics on the amount of affordable housing that is available is diminishing. And that any route selection or build selection would not affect affordable housing in those areas. He stated that a motion was not needed at this time however as development of the IOS proceed, there should be some attention given to the affordable housing questions in the San Gabriel Valley.

4.3 **Energy & Environment Committee (EEC) Report**

4.3.1 **Governor's Office of Planning & Research (OPR) Updated General Plan Guidelines**

According to OPR, the General Plan Guidelines is a advisory document prepared by OPR to assist cities and counties in preparing local general plans. The Guidelines contain sections on the seven mandatory elements of general plans (Land Use, Circulation, Housing, Conservation, Open Space, Noise, and Safety) as well as sections on various optional elements. The Guidelines were last revised in 1998.

The Governor's OPR has issued a draft revision to the General Plan Guidelines for cities and counties. The revision was issued partly in response to AB 1553 (Keeley, 2001), which required OPR to include environmental justice in the guidelines. The public comment period for the revisions closed December 16, 2002. The SCAG comments were approved by the EEC on November 7, 2002.

The EEC recommended that the Regional Council approve the Guidelines.

It was MOVED (Young) and SECONDED (Brown). A roll call vote was requested. There were 29 AYES and 0 NOES. The recommendation UNANIMOUSLY passed.

4.4 **Community, Economic & Human Development (CEHD) Report**

4.4.1 **Forecast Local Review Criteria**

Mayor Alexander, Chair, presented an overview of the Evaluation Criteria for the Baseline Socioeconomic Projection. The Evaluation Criteria will be used to evaluate local input on the Trend Projection released in the mid-September, 2002. The Baseline Projection includes primary variables of population, households and employment at multiple geographic levels by five-year increments through the year 2030.

He stated that the CEHD recommended removing two items from the original recommendation. The first item relates to the Basic Regional Criteria (item # 3 in the attachment) and the Basic County Criteria (item #2 in the attachment).

Mayor Alexander stated that the CEHD would report back at a later time to resolve the issues. It was recommended that the Regional Council approve the remaining recommendations within the Local Review Criteria.

It was MOVED (Alexander) and SECONDED (Bruesch). A roll call was requested. There were 29 AYES & 0 NOES. The motion UNANIMOUSLY passed.

4.5 Communications Committee Report

No report

5.0 INFORMATION ITEMS

5.1 Monthly Financial Report

This report was included as part of the Budget Amendment Report.

6.0 COMMENT PERIOD

There were no comments presented at this time.

7.0 LEGAL COUNSEL REPORT

7.1 Closed Session

- Pursuant to California Government Code Section §54957 Personnel
- Pursuant to California Government Code Section §54956.9(a) SCAG v. HCD & BT&H
- Pursuant to California Government Code Section §54956.9(a) El Toro Reuse Planning Authority v. SCAG

8.0 ADJOURNMENT

**The next meeting is scheduled for Thursday January 9, 2003 at SCAG Offices.
HAPPY NEW YEAR!**

Mark Pisano, Executive Director

Staff Present

Mark Pisano, Executive Director
Jim Gosnell, Deputy Executive Director
Colin Lennard, General Counsel
Bert Becker, Chief Financial Officer
Hasan Ikrata, Acting Director, Planning & Policy
Shelia Stewart, Executive Assistant

Members Present

Councilmember Hal Bernson (**Los Angeles**), Delegate, District 59, President
Mayor Bev Perry (**Brea**) Delegate, District 22, 1st Vice President
Supervisor Charles Smith (**Orange County**) Delegate, 2nd Vice President
Supervisor Bob Buster (**Riverside County**), Delegate
Councilmember Greg Pettis (**Cathedral City**) Delegate, District 2 **
Councilmember Charles White (**Moreno Valley**) Delegate, District 3
Mayor Ron Loveridge, (**Riverside**) Delegate, District 4
Mayor Ron Roberts (**Temecula**) Delegate, District 5
Mayor Pro Tem Lee Ann Garcia (**Grand Terrace**), Delegate, District 6
Councilmember Susan Longville (**San Bernardino**) Delegate, District 7
Councilmember Deborah Robertson (**Rialto**) Delegate, District 8
Mayor Bill Alexander (**Rancho Cucamonga**), Delegate, District 9
Councilmember Gary Ovitt (**Ontario**) Delegate, District, 10
Mayor Lawrence Dale (**Barstow**) Delegate, District 11
Councilmember Cathryn DeYoung (**Laguna Nigel**) Delegate, District 12
Mayor Richard Dixon (**Lake Forest**), Delegate, District 13
Councilmember Tod Ridgeway (**Newport Beach**), Delegate, District 14
Councilmember Lou Bone (**Tustin**) Delegate, District 17
Councilmember Alta Duke (**La Palma**) Delegate, District 18
Councilmember Shirley McCracken (**Anaheim**) Delegate, District 19
Mayor Ron Bates (**Los Alamitos**) Delegate, District 20
Councilmember Art Brown (**Buena Park**) Delegate, District 21
Mayor Bruce Barrows (**Cerritos**) Delegate, District 23
Councilmember Gene Daniels (**Paramount**) Delegate, District 24
Councilmember Keith McCarthy (**Downey**) Delegate, District 25
Councilmember Melanie Andrews (**Compton**) Delegate, District 26
Councilmember George Bass (**Bell**) Delegate, District 27
Councilmember Bonnie Lowenthal (**Long Beach**) Delegate, District 29
Councilmember Tonia Reyes-Uranga (**Long Beach**) Delegate, District 30
Mayor Pro Tem Bea Proo (**Pico Rivera**) Delegate, District 31
Councilmember Robert Bruesch (**Rosemead**) Delegate, District 32
Councilmember Dick Stanford (**Azusa**) Delegate, District 33
Councilmember Paul Talbot (**Alhambra**) Delegate, District 34
Councilmember Harry Baldwin (**San Gabriel**) Delegate, District 35
Councilmember Sid Tyler (**Pasadena**) Delegate, District 36
Councilmember Karen Rosenthal (**Claremont**) Delegate, District 38
Councilmember Ken Blackwood (**Lomita**) Delegate, District 39

Mayor Pro Tem Sandra Jacobs (**El Segundo**) Delegate, District 40
Mayor Toni Young (**Port Hueneme**) Delegate, District 45
Councilmember Ruth Galanter (**Los Angeles**) Delegate, District 58
Councilmember Jeff Miller (**Corona**) Delegate, District 63

CTC Representatives

Vice Mayor Robin Lowe, Hemet, representing RCTC

REPORT

TO: Administration Committee
Regional Council

FROM: Sam Mehta, Contracts Manager (213) 236-1813
Email: mehta@scag.ca.gov

SUBJECT: Approval of Contracts Over \$25,000

DATE: December 17, 2002

EXECUTIVE DIRECTOR'S APPROVAL _____

RECOMMENDED ACTION: Approve Contracts

SUMMARY:

- **The Following Contract are Recommended for Approval:**

Parsons Brinckerhoff	NTE \$ 49,984
The C2 Group	NTE \$200,000 Annually
	NTE \$800,000 (48 months)

FISCAL IMPACT:

The Work Element is listed on the detail page for each contract. Included is the Work Element and category of funding, for example FHWA, FTA, indirect.

CONSULTANT CONTRACT

Consultant: Parsons Brinckerhoff

Scope: Consultant will provide ongoing planning and technical support for the Four Corners Study Group. This involves monitoring and reporting implementation plan progress, tracking and highlighting applicable legislative activities, identification of funding opportunities, and long-range planning assistance and administrative support.

The consultant will also provide status reports on implementation progress. Data will be gathered from the lead agencies for the approved strategies. The consultant will be responsible for developing and researching the implementation plan progress reports, ensuring the accuracy of the information provided in the reports, and presenting them to the PAC and TAC. They will serve as the initial contact for members of the Four Corners PAC and the general public, providing information to these groups concerning the implementation of the approved strategies and times and locations for future meetings. They will be responsible for maintaining a central file of Four Corners PAC and TAC agendas and adopted meeting notes.

Contract Amount:	Total not to exceed	\$49,984
	Parsons Brinckerhoff (prime)	\$40,224
	Jacki Bacharach (subcontractor)	\$ 9,760

Contract Period: January 15 , 2003 through December 30, 2004

Work Element:

03-010.SBGC1	-- \$24,992 (funding source: Consolidated Planning Grant, subject to approval of SCAG budget amendment).
04-XXX	-- \$24,992 (funding source: Consolidated Planning Grant, subject to approval of SCAG FY 03 – 04 OWP).

Request for Proposal: SCAG staff mailed postcards to 450 pre-qualified firms on SCAG's bidders list to notify them of the release of RFP No. 03-015. The RFP was also posted on SCAG's web site. The following five proposals were received in response to the solicitation:

Parsons Brinckerhoff (1 subcontractor)	\$ 49,984
Resource Design (no subcontractors)	\$347,150
RK Engineering (no subcontractors)	\$147,280

Rthunder (no subcontractors)	\$311,973
Tierra Concepts (1 subcontractor)	\$ 83,050

Selection Process:

The Proposal Review Committee (PRC) evaluated all five proposals in accordance with the criteria set forth in the RFP, and the selection process was conducted in a manner consistent with all applicable Federal and State contracting regulations. Interviews were scheduled with all five offerors, however, R K Engineering failed to attend the interview.

The PRC was comprised of the following individuals:

Tim O'Donnell, City of Brea, City Manager
Douglas N. La Belle, City of Chino Hills, City Manager
John Ilasin, City of Diamond Bar, Assistant Engineer
Leann Williams, Caltrans, Senior Transportation Planner
Brett Sears, SCAG, Associate Regional Planner

Basis for Selection:

The PRC recommends Parsons Brinckerhoff (PB) for the contract award because of their successful completion of numerous similar projects including their 10 years of experience with the Four Corners Study. PB is familiar with all the Policy Committee members and has demonstrated a complete understanding of the Four Corners Study area. Their extensive experience with inter-agency coordination is vital to the Four Corners PAC. PB had impressive responses to the questions posed during the interview and an outstanding past performance. PB's presentation was excellent and they stated their commitment to the project. In addition, the committee was very pleased with PB's reputation in project planning and implementation. PB received the highest evaluation score during the interview.

CONSULTANT CONTRACT

Consultant:	The C2 Group									
Scope:	SCAG employs the services of a Federal Government Affairs Consultant (Lobbyist) in Washington DC. The consultant will provide government affairs and legislative assistance on all matters related to SCAG adopted legislative program and federal priorities. The Federal Government Affairs Consultant will also be responsible for developing and implementing innovative strategies that seek to increase SCAG’s visibility in Washington DC and position the organization as an influential leader on federal legislative and policy initiatives.									
Contract Amount:	Total not to exceed The C2 Group (prime) (No subcontractors) Total contract value (includes base year plus three year option)	NTE \$200,000 Annually NTE \$200,000 Annually NTE \$800,000 (48-months)								
Contract Period:	January 2003 through December 31, 2006 Continuation of the contract after each twelve-month period is contingent upon an annual management and project review by the Manager of SCAG’s Government and Public Affairs Department.									
Work Element:	03-300.SCGS2 -- \$200,000 (Funding source: General Fund, first 12 months) 0X-XXX -- \$600,000 (Funding source: Subject to availability of future General Fund, for optional 36 months)									
Request for Proposal:	SCAG staff mailed postcards to 88 pre-qualified firms on SCAG’s bidders list to notify them of the release of RFP No. 03-023. The RFP was also posted on SCAG’s web site. The following 10 proposals were received in response to the solicitation: <table><tr><td>Akin Gump Strauss Hauer & Feld LLP’s (1 subcontractor)</td><td>\$200,000 Annually</td></tr><tr><td>Baker, Donelson, Bearman & Caldwell (no sub.)</td><td>\$684,000 (48 months)</td></tr><tr><td>C2 Group (no Sub.)</td><td>\$200,000 Annually</td></tr><tr><td>Kinghorn, Hilbert & Associates (no sub.)</td><td>\$200,000 Annually</td></tr></table>		Akin Gump Strauss Hauer & Feld LLP’s (1 subcontractor)	\$200,000 Annually	Baker, Donelson, Bearman & Caldwell (no sub.)	\$684,000 (48 months)	C2 Group (no Sub.)	\$200,000 Annually	Kinghorn, Hilbert & Associates (no sub.)	\$200,000 Annually
Akin Gump Strauss Hauer & Feld LLP’s (1 subcontractor)	\$200,000 Annually									
Baker, Donelson, Bearman & Caldwell (no sub.)	\$684,000 (48 months)									
C2 Group (no Sub.)	\$200,000 Annually									
Kinghorn, Hilbert & Associates (no sub.)	\$200,000 Annually									

Cliff Madison Government Relations, Inc. (no sub.)	\$120,000 Annually
Marlowe & Company (no sub.)	\$197,000 Annually
Palumbo & Cerrell, Inc. (1 subcontractor)	\$199,380 Annually
Smith Dawson & Andrews (1 subcontractor)	\$181,720 Annually
Smith, Esposito & Lyerly (no sub.)	\$199,619 Annually
David Turch and Associates (no sub.)	\$200,000 Annually

Selection Process:

The Proposal Review Committee (PRC) evaluated all 10 proposals in accordance with the criteria set forth in the RFP, and the selection process was conducted in a manner consistent with all applicable Federal and State contracting regulations. Interviews were held with three finalists (C2 Group, Palumbo and Cerrell and David Turch and Associates). After the interviews, the PRC requested staff to contact several key Congressional offices to check the references of two of the firms before making their final decision.

The PRC was composed of the following individuals:

Council Member Hal Bernson, SCAG President
Mayor Bev Perry, SCAG 1st Vice President
Supervisor Judy Mikels, Ventura County
Jim Gosnell, SCAG Deputy Executive Director

Basis for Selection:

The PRC recommends The C2 Group for the contract award because the firm demonstrates a superior understanding of SCAG's legislative issues and expertise in transportation. The firm outlined specific strategies to accomplish SCAG's federal advocacy goals. The C2 Group also has an excellent record of achievement and a strong reputation among key members of Congress. The C2 Group received the best references from key Congressional offices.

REPORT

DATE: January 9, 2003

TO: The Regional Council
The Administration Committee

FROM: Alfredo B. Gonzalez, Senior Government Affairs Officer
Phone: (213) 236-1886 E-mail: gonzalez@scag.ca.gov

SUBJECT: SCAG Sponsorship of the Western States Freight Summit

EXECUTIVE DIRECTOR'S APPROVAL

RECOMMENDED ACTION:

Authorize a one-time General Fund expenditure of \$3000 to co-sponsor the Western States Freight Summit.

BACKGROUND:

The National Association of Regional Councils (NARC) in collaboration with the California Association of Councils of Governments (CALCOG) and several other national, state and regional organizations including the National League of Cities (NLC), the National Association of Counties (NACo), Caltrans and the California Business Transportation and Housing Agency (BT&H) are in the process of coordinating the Western States Freight Summit. This summit will be the first in a series to address the issue of freight and goods movement from an economic perspective.

The primary objective of the summit will be to alert Members of Congress and the Bush Administration to the economic benefits that are generated by the movement of goods and to assist transportation stakeholders when building their case for higher federal investments in freight related infrastructure. The summit will also serve as a formal call to Congress and the Administration to increase funding for goods movement, and to establish freight mobility as a central element of national transportation policy. The summit will highlight the significance of not just Southern California, but the entire nation when it comes to freight. Invited guests include members of Congress, Governor Gray Davis and the governors of several western states.

NARC and CALCOG will rely solely on public and private transportation stakeholders like SCAG for financial support to host the Summit. To date, financial commitments toward the summit have been made by several public agencies including Caltrans, BT&H and several CALCOG member agencies. Although an actual date has not yet been selected for the summit it is currently scheduled to occur in late February 2003, in the city of Long Beach.

FISCAL IMPACT:

Adopting the recommended action will result in a one-time general fund expenditure of \$3000. These funds are located within the "miscellaneous other" cost element of the general fund number 55-930.

abg/doc#79368

REPORT

DATE: January 9, 2003

TO: The Administration Committee
The Regional Council

FROM: Tonya Gorham, Government Affairs Analyst
Phone (213) 236-1988 – e-mail: gorham@scag.ca.gov

SUBJECT: Budget Request FY 2002-2003: Association of Metropolitan Planning Organizations (AMPO) Membership Dues

EXECUTIVE DIRECTOR'S APPROVAL

RECOMMENDED ACTION:

Authorize for fiscal year 2002/03, an expenditure of \$18,750 for annual membership dues to the Association of Metropolitan Planning Organizations (AMPO).

SUMMARY:

AMPO is a nonprofit, membership organization established in 1994 to serve the needs and interests of Metropolitan Planning Organizations (MPOs) nationwide. AMPO offers its member MPOs technical assistance and training, conferences and workshops, frequent print and electronic communications, research, a forum for transportation policy development, coalition building opportunities, and a variety of other services. In the coming year, AMPO will be advocating to preserve the current federal funding and to increase the funding available to MPOs through the Congestion Mitigation and Air Quality Improvement Program (CMAQ), the Surface Transportation Program (STP) and metropolitan planning. SCAG is currently a member of AMPO, with Regional Council Member Mayor Ron Bates serving his second term as Chair of the AMPO Board.

FISCAL IMPACT:

Approving this request will result in the expenditure of \$18,750 for the membership dues from SCAG's 02/03 Budget. The AMPO membership dues for 2003 are \$3,750 or 25% more than the dues of \$15,000 paid by SCAG in December 2001 for 2002 membership. Funding to pay for AMPO membership dues is located within the Government and Public Affairs portion of the General Fund as outlined in the SCAG 2002-03 adopted budget.

ATTACHMENT:

AMPO Invoice Letter

T. Gorham 1/9/03
AMPO Dues
Docs#79472

REPORT

DATE: January 9, 2002

TO: Administration Committee
Regional Council

FROM: Rosemary Ayala, Performance Assessment & Implementation
(213) 236-1927, ayala@scag.ca.gov

SUBJECT: Southern California Association of Governments Concurrence of Designated Recipients for Federal Transit Administration (FTA) Urbanized Area Formula Funds for 5 new urbanized areas in the SCAG region

EXECUTIVE DIRECTOR'S APPROVAL:

RECOMMENDED ACTION:

Approve SCAG's concurrence of Designated Recipients for the Federal Transit Administration Urbanized Area Formula Funds for the 5 new urbanized areas over 200,000 in population in the SCAG region by approving resolutions #02-438-1; 02-438-2 and 02-438-3. The resolutions recommend to the Governor of the State of California the following:

1. The Southern California Association of Governments be identified as the designated recipient for the Lancaster-Palmdale; the Indio-Cathedral City-Palm Springs, and Temecula-Murrieta Urbanized Areas (UZA's)
2. That the Orange County Transportation Authority be identified as designated recipient for the Mission Viejo UZA
3. That the Victorville Transit Agency be identified as the designated recipient for the Victorville-Hesperia-Apple Valley Urbanized Area.

Also, correct item 4.1.3 approved at the November Regional Council meeting to reflect "Section 5307" in lieu of "Section 5311" funds.

BACKGROUND:

As a result of the 2000 census, there are 5 new urbanized areas with over 200,000 in population in the SCAG region. The UZA's are as follow:

Los Angeles County: Lancaster-Palmdale UZA

Orange County: Mission Viejo UZA

Riverside County: Indio-Cathedral City-Palm Spirngs UZA;
Temecula-Murrieta UZA

San Bernardino County: Victorville-Hesperia-AppleValley UZA.

REPORT

Federal guidance states that in urbanized areas over 200,000 in population the Governor, responsible local officials, and publicly owned operators of transit services jointly designate a recipient to apply for, receive, and dispense funds for Transportation Management Areas.

Once all parties concur on a designated recipient a letter is transmitted to the FTA. The letter to the FTA expresses the Governor's concurrence, the providers of publicly owned transit service in the urbanized area, and an appropriately certified resolution of the Metropolitan Planning Organization (MPO) concurring in the designation.

There are three entities for such a designation in the SCAG region. SCAG, a county commission or the public transit operator in the respective UZA may become the designated recipient. The item before you contains a recommendation of designated recipient for each of the five new UZA's. The recommendations were developed in coordination with the county transportation commissions and transit operators.

The boards of the County Transportation Commissions in Los Angeles, Orange, Riverside and San Bernardino Counties have transmitted to SCAG their concurrence for a designated recipient for the UZA's in their respective counties.

LOS ANGELES COUNTY

The Los Angeles County Metropolitan Transportation Authority board concurred at their meeting of October 24, 2002 that SCAG should be named the designated recipient for the Lancaster-Palmdale UZA.

ORANGE COUNTY

The Orange County Transportation Commission's (OCTA) board concurred at their meeting of November 25, 2002 that OCTA as the single transit agency providing services to the entire Mission Viejo UZA, be named the designated recipient for the Mission Viejo UZA.

The Mission Viejo UZA is comprised of 11 Southern Orange County cities and a portion of unincorporated Orange County. The remainder of Orange County is in the Los Angeles-Long Beach-Santa Ana UZA in which SCAG is the designated recipient. Therefore, having OCTA as designated recipient would expedite the FTA grant process in their area. SCAG staff does not see a conflict in OCTA becoming the designated recipient for the Mission Viejo UZA.

RIVERSIDE COUNTY

The Riverside County Transportation Commission's board concurred at their meeting of November 13, 2002 that SCAG should be named the designated recipient for the Indio-Cathedral City-Palm Springs UZA and the Temecula-Murrieta UZA.

SAN BERNARDINO

The San Bernardino County Transportation Commission board concurred at their meeting of September 4 that the Victor Valley Transit Authority (VVTA) become the designated recipient of the Victorville-Hesperia-Apple Valley UZA. VVTA is the only entity that applies for the FTA formula funds apportioned to this UZA. The San Bernardino County Transportation

REPORT

Commission states that it has sufficient oversight responsibilities over the transit service provided in the UZA in the areas of planning and programming. Therefore, the commission concurs that VVTA should be the designated recipient for this UZA.

SCAG staff concurs with the designated recipient recommendations approved by each board of the County Transportation Commissions and recommends that the Regional Council concur and transmit a letter of concurrence including adopting resolutions to the Governor of the State of California.

BUDGET IMPACT:

Funds to support this item are available in the FY 2002-2003 Performance Assessment & Implementation Budget.

Ayala 12/27/2002
#78212

Resolution No. 02-438-1

**RESOLUTION OF CONCURRENCE IDENTIFYING THE
SOUTHERN CALIFORNIA ASSOCIATION OF GOVERNMENTS AS
THE DESIGNATED RECIPIENT OF FEDERAL URBANIZED AREA
FORMULA FUNDS FOR THE
LANCASTER-PALMDALE, INDIO-CATHEDRAL CITY-PALM
SPRINGS, AND TEMECULA-MURRIETA URBANIZED AREAS**

WHEREAS, On May 1, 2002, the Bureau of the Census released the urbanized area (UZA) designations for the 2000 Census; and

WHEREAS, the Federal Transit Administration (FTA) uses this data to allocate federal funds from its Urbanized Area Formula Fund program; and

WHEREAS, the Lancaster-Palmdale, Indio-Cathedral City-Palm Springs, and

Temecula-Murrieta UZA, under the 2000 Census, has been moved from under 200,000 population to over 200,000 population; and

WHEREAS, for urbanized areas with 200,00 in population and over, Urbanized Area Formula Program funds are apportioned and flow directly to a designated recipient(s) selected locally to apply for and receive Federal funds; and

WHEREAS, the Southern California Council of Governments (SCAG) currently serves as the designated recipient for FTA Urbanized Area Formula Funds for the Los Angeles-Long Beach-Santa Ana and the Riverside-San Bernardino urbanized areas:

WHEREAS, local officials, public transit operators and County Transportation Commission boards concur that within their respective jurisdictions SCAG should be the Designated Recipient for the Lancaster-Palmdale, Indio-Cathedral City-Palm Springs, and Temecula-Murrieta urbanized areas; and

NOW, THEREFORE, BE IT RESOLVED that the Regional Council of the Southern California Association of Governments hereby recommends that the Governor of the State of California identify SCAG as the designated recipient to receive and dispense funds for the Lancaster/Palmdale, Indio-Cathedral City-Palm Springs, and Temecula-Murrieta UZA. SCAG also requests that the Governor forward its

Resolution No. 02-438-1

concurrence of SCAG as designated recipient to the FTA offices for approval.

Adopted by the Regional Council of the Southern California Association of Governments at a regular meeting on this 9th day of January 2003.

Hal Bernson
President, SCAG
Councilmember, City of Los Angeles

Attest: _____
Mark Pisano
Executive Director

Approved as to Legal Form:

Colin Lennard
General Counsel

DOC #77745

Resolution No. 02-438-2

**RESOLUTION OF CONCURRENCE IDENTIFYING THE ORANGE
COUNTY TRANSPORTATION AUTHORITY AS THE DESIGNATED
RECIPIENT OF FEDERAL URBANIZED AREA FORMULA FUNDS
FOR THE
MISSION VIEJO URBANIZED AREA**

WHEREAS, On May 1, 2002, the Bureau of the Census released the urbanized area (UZA) designations for the 2000 Census; and

WHEREAS, the Federal Transit Administration (FTA) uses this data to allocate federal funds from its Urbanized Area Formula Fund program; and

WHEREAS, the Mission Viejo UZA, under the 2000 Census, was split from the Los Angeles-Long Beach-Santa Ana UZA; and

WHEREAS, for urbanized areas with 200,00 in population and over, Urbanized Area Formula Program funds are apportioned and flow directly to a designated recipient(s) selected locally to apply for and receive Federal funds; and

WHEREAS, the City of Laguna Beach, a municipal operator of fixed route services in the Mission Viejo urbanized area and the Orange County Transportation Authority (OCTA) boards concur that the OCTA serve as the designated Recipient for the Mission Viejo Urbanized Area , and

NOW, THEREFORE, BE IT RESOLVED that the Regional Council of the Southern California Association of Governments hereby recommends that the Governor of the State of California identify the OCTA as the designated recipient to receive and dispense funds for the Mission Viejo UZA. SCAG also requests that the Governor forward its concurrence of the OCTA as designated recipient to the FTA offices for approval.

Resolution No. 02-438-2

Adopted by the Regional Council of the Southern California
Association of Governments at a regular meeting on this 9th day of January
2003.

Hal Bernson
President, SCAG
Councilmember, City of Los Angeles

Attest: _____
Mark Pisano
Executive Director

Approved as to Legal Form:

Colin Lennard
General Counsel

DOC #77745

Resolution No. 02-438-3

**RESOLUTION OF CONCURRENCE IDENTIFYING THE VICTOR
VALLEY TRANSIT AUTHORITY AS THE DESIGNATED
RECIPIENT OF FEDERAL URBANIZED AREA FORMULA FUNDS
FOR THE
VICTORVILLE-HESPERIA-APPLE VALLEY URBANIZED AREA**

WHEREAS, On May 1, 2002, the Bureau of the Census released the urbanized area (UZA) designations for the 2000 Census; and

WHEREAS, the Federal Transit Administration (FTA) uses this data to allocate federal funds from its Urbanized Area Formula Fund program; and

WHEREAS, the Victorville-Hesperia-Apple Valley UZA, under the 2000 Census, moved from under 200,000 population to over 200,000 population; and

WHEREAS, for urbanized areas with 200,00 in population and over, Urbanized Area Formula Program funds are apportioned and flow directly to a designated recipient(s) selected locally to apply for and receive Federal funds; and

WHEREAS, the local jurisdictions, Victor Valley Transit Authority and the San Bernardino Associated Governments concur that the Victor Valley Transit Authority serve as the designated Recipient for the Victorville-Hesperia-Apple Valley Urbanized Area, and

NOW, THEREFORE, BE IT RESOLVED that the Regional Council of the Southern California Association of Governments hereby recommends that the Governor of the State of California identify the Victor Valley Transit Authority as the designated recipient to receive and dispense funds for the VVTA. SCAG also requests that the Governor forward its concurrence of the VVTA as designated recipient to the FTA offices for approval.

Resolution No. 02-438-3

Adopted by the Regional Council of the Southern California
Association of Governments at a regular meeting on this 9th day of January
2003.

Hal Bernson
President, SCAG
Councilmember, City of Los Angeles

Attest: _____
Mark Pisano
Executive Director

Approved as to Legal Form:

Colin Lennard
General Counsel

DOC #77745

REPORT

DATE: January 9, 2003

TO: The Administration Committee
The Regional Council

FROM: Tonya Gorham, Government Affairs Analyst
Phone (213) 236-1988 – e-mail: gorham@scag.ca.gov

SUBJECT: Budget Request FY 2002-2003: National Association of Regional Councils (NARC)
Membership Dues

EXECUTIVE DIRECTOR'S APPROVAL

RECOMMENDED ACTION:

Authorize fiscal year 2002/03 expenditure of \$12,500 for annual membership dues to the National Association of Regional Councils (NARC).

SUMMARY:

The National Association of Regional Councils (NARC) serves all regional councils, metropolitan and rural. NARC advocates on behalf of regional councils for the coordination, planning and delivery of new and existing federal programs that require regional strategies for optimal success. NARC promotes the use of regional councils as the forums for inter-jurisdictional decision making. The association's two over-arching themes are Regional Councils Make Federal Programs Work and Regional Councils Make Growth Smart.

NARC was a major contributor to the development of ISTEA and TEA-21 and is again positioned to be a major player in the reauthorization of TEA 21. SCAG has been a member of NARC for many years, with extensive participation. Supervisor Judy Mikels currently sits on the NARC Board of Directors. Staff recommends continuing membership in NARC.

NARC membership dues for fiscal year 2002-03 are \$12,500. In addition NARC is requesting additional support for their transportation advocacy program in the amount of \$12,500. Due to SCAG's membership in AMPO for transportation issues, staff recommends paying \$12,500 for membership dues only.

FISCAL IMPACT:

Approving this request will result in an expenditure of \$12,500 for the membership dues. This amount is \$3,218 or 35% more than the membership dues of \$9,282 paid for fiscal year 2001-02. The dues increase is the result of a new tiered dues structure approved by NARC's Board of Directors in March 2002, which bases dues on the operating budget of each regional council. Funding to pay for NARC membership dues is located within the General Fund as outlined in the SCAG 2002-03 adopted budget.

ATTACHMENT:

NARC Invoice Letter

T. Gorham 1/9/03
NARC Membership Dues
Docs#79286

REPORT

DATE: December 17, 2002

TO: Administration Committee
Regional Council

FROM: Sam Mehta, Contracts Manager (213) 236-1813
Email: mehta@scag.ca.gov

SUBJECT: Contracts and Purchase Orders Between \$5,000 - \$25,000

RECOMMENDED ACTION: Information Only

SUMMARY:

The Executive Director executed the following Purchase Orders between \$5,000 and \$25,000

- Compaq Computer \$15,002
Hardware & Software Support
Funding Source: Computer Service Center
- Sodexho Marriott Services \$ 10,000
Catering for Regional Economic Forecast Conference
Funding Source: Registration Revenue & Sponsorships

BACKGROUND:

Pursuant to the recommendations from the Best Practices Contracts Committee and KMPG, the Regional Council approved the execution by the Executive Director, Purchase Orders between \$5,000 and \$25,000 and the listing of all such Contracts and purchase orders on the agenda as information only.

REPORT

DATE: December 23, 2002

TO: Administration Committee
Regional Council

FROM: Sam Mehta, Manager; Contracts (213) 236-1813
Email: Mehta@scag.ca.gov

SUBJECT: Conflict of Interest Listing

RECOMMENDED ACTION: Information Only

Listing of all agenda items involving consultants or other groups to all members to determine whether they have conflicts

Item

3.1.2

- Parsons Brinckerhoff
Sub: - Jackie Bacharach
- The C2 Group

3.1.3

- NARC
- CALCOG

3.1.4

- AMPO

3.2.2

- Compaq Computer
- Sodexo Marriott Services

REPORT

DATE: January 9, 2003

TO: The Administration Committee
The Community Economic and Human Development Committee (CEHD)
The Energy and Environment Committee (EEC)
The Transportation and Communications Committee (TCC)
The Regional Council

FROM: Donald Rhodes, Government and Public Affairs Manager
Phone (213) 236-1840 – e-mail: rhodes@scag.ca.gov

SUBJECT: SCAG's 2003 Legislative Program

EXECUTIVE DIRECTOR'S APPROVAL

RECOMMENDED ACTION:

Adopt SCAG's 2003 Legislative Program

BACKGROUND:

Each year, the Regional Council adopts a Legislative Program, which is the guiding document for the legislative activities of the Southern California Association of Governments (SCAG). The 2003 Legislative Program is a compilation of legislative efforts already underway during 2002 and newly identified focus areas. As with last year's program, the goal is to focus SCAG's legislative efforts in a manner which maximizes impact for the region and establishes SCAG as a key resource for Members of Congress, Members of the California Legislature, their staffs, and department and administration officials.

During 2003, SCAG's primary federal priorities will be the authorization of the Transportation Equity Act (TEA-3), enhancing the Southern California Region's funding opportunities in the forthcoming appropriation cycle, obtaining predeployment funds for Maglev, and legislation related to the Southwest Compact. Key state priorities will be the continuation of work related to legislation reforming the Regional Housing Needs Assessment process and phasing out the statutory cap of the Transportation Development Act (TDA). Another major priority will be to maintain transportation funding and develop innovative transportation funding proposals.

A timeline and strategy has been prepared including legislative briefings to be held in Sacramento and Washington DC in 2003, highlighting SCAG's legislative agenda for 2003 for our region's elected federal and state representatives.

FISCAL IMPACT:

The Government Affairs Department will implement the 2003 Legislative Program with existing budgeted Government Affairs staff and contract lobbyists. No additional financial resources are required.

ATTACHMENT:

SCAG's 2003 Legislative Program - Draft

T. Gorham 1/9/03
SCAG 2003 Leg Program

SOUTHERN CALIFORNIA ASSOCIATION OF GOVERNMENTS

2003 LEGISLATIVE PROGRAM - *DRAFT*

INTRODUCTION

The Southern California Association of Governments (SCAG) 2003 Legislative Program reflect priorities established by the Regional Council through the Leadership Initiative and the recently adopted Ten Year Strategic Plan. The program identifies a broad range of federal and state legislative goals and objectives for SCAG to pursue. SCAG's legislative staff operates under direction of the legislative program, which is approved annually by the Regional Council.

In implementing the 2003 Legislative Program, SCAG's legislative staff continues to streamline the process and integrate SCAG's legislative relations efforts with internal departments, task forces and committees. Because of these efforts SCAG has gained recognition and influence in a number of policy arenas, including transportation and housing.

During 2002 SCAG made a significant impact on federal legislative issues affecting transportation through a Regional Transportation Forum with United States Transportation Secretary Norman Mineta and Congresswoman Juanita Millender McDonald. The forum focused on the authorization of the Transportation Equity Act (TEA-3). During 2003, SCAG will continue to lead advocacy efforts for the region in the reauthorization process. In Sacramento, SCAG played a leadership role in efforts to reform the Regional Housing Needs Assessment process as part of the housing element reform legislation. SCAG was also heavily involved in aviation and solid waste conversion issues.

During 2003, SCAG legislative staff will continue to enhance relationships with federal and state legislators, regulators, subregions and other agencies within the SCAG region.

LEGISLATIVE PROGRAM OBJECTIVES

SCAG's 2003 Legislative Program:

- Provides regional leadership in seeking federal and state funding for plans and programs to implement SCAG's Regional Transportation Plan (RTP), as adopted in April 2001.
- Refines and enhances SCAG's federal designation as a Metropolitan Planning Organization (MPO) and for other statutory mandates.

- Maintains SCAG's status as a state designated Regional Transportation Planning Agency (RTPA).
- Provides regional leadership seeking and supporting fair share federal and state funding for plans and programs within the SCAG region.
- Provides regional, state and national leadership in the development of regional priority projects for consideration under the authorization of the Transportation Equity Act (TEA-3).
- Leads advocacy efforts in the advancement of priority projects and reauthorization principles.

LEGISLATIVE PROGRAM DESCRIPTION

Legislative staff will undertake the following general activities at the federal and state levels during 2003:

- Identify and track legislation consistent with the objectives contained within the 2003 SCAG Legislative Program. Key legislation will be presented to appropriate SCAG policy committees for adoption of formal positions and recommendations to be forwarded to the Regional Council.
- Prepare correspondence and communications consistent with Regional Council positions.
- Coordinate appearances of Regional Council Members before federal and state legislative committees.
- Coordinate lobbying visits to Washington, DC and Sacramento for Regional Council Members and staff to meet with appropriate executive and legislative branch elected officials and staff regarding initiatives contained in the legislative program.
- Host legislative briefings in Sacramento and Washington, DC with elected officials and their staffs on SCAG's legislative priorities and initiatives.

LEGISLATIVE PROGRAM ADVOCACY

Federal and State Contract Legislative Advocates:

- SCAG employs the services of contract lobbyists in Washington, DC and Sacramento.
- All contact with the federal and state lobbyists is coordinated through the Manager of Government and Public Affairs.

- The lobbyists work with SCAG staff in implementing the Legislative Program and coordinating visits to Washington, DC or Sacramento by members of the Regional Council to meet with elected and appointed officials of the executive and legislative branches of the federal and state government.
- The budget for Government Affairs advocacy activities is provided through General Fund revenues. Federal law prohibits the use of federal funds for lobbying purposes.
- Retainers and expenses for both the federal and state legislative advocates are contained within the SCAG FY 2002/03 budget adopted by the Regional Council.

POLICY REVIEW AND ACTION

SCAG's legislative staff operates under direction of the legislative program, which is approved annually by the Regional Council. The Regional Council establishes SCAG's official policy position on all legislative or regulatory matters in which SCAG is involved.

Position statements on legislation and other matters for which Regional Council policy already exists is communicated by SCAG Government Affairs staff to legislators, legislative staff, administrative staff and other entities reflecting that adopted policy.

For those legislative matters in which no Regional Council adopted policy exists, bills or other legislative matters are brought through the legislative process as outlined below:

- Bills or other legislative matters are first presented to the appropriate task force(s), technical committee(s) or policy committee(s).
- Those bills or legislative matters first heard in a task force or other technical committee are then to be referred to the appropriate policy committee for further action.
- After a policy committee has taken action on a legislative issue, the matter is brought to the Regional Council for adoption of a formal position.
- Legislation may be referred and re-referred to multiple task forces or committees depending upon the subject matter, by request of a task force or committee and to resolve any differences in task force or committee actions.
- If there is a need to take action within a specific time frame because of constraints of the federal or state legislative calendars, legislative matters may be brought to the Regional Council in the same month the issue is considered by a policy committee. The chairperson of the appropriate policy committee presents the request to expedite action of the Regional Council.

- Legislative matters may be referred directly to the Regional Council because of (1) their critical nature, or (2) the need to take action within a specific time frame due to constraints of the federal or state legislative calendars.
- Regional Council Members and other interested parties desiring Regional Council action on bills or legislative matters not directly contained within the adopted 2003 SCAG Legislative Program must consult with Government Affairs staff prior to submitting requests to the chairperson of the Administration Committee.
- If the Administration Committee approves the request, the legislative staff then prepares the necessary agenda reports for a subsequent policy committee meeting. To ensure that SCAG legislative resources are available and apportioned in a manner consistent with the organization's priorities, the Administration Committee is responsible for determining a course of action on all requests for legislative matters that are not included in the adopted 2003 SCAG Legislative Program.

LEGISLATIVE ISSUES

TRANSPORTATION

In 2003, SCAG's legislative staff's primary focus is the authorization of the Transportation Equity Act (TEA-3). SCAG will continue its efforts to ensure the region is effectively represented in the authorization process. SCAG will support efforts that maintain and promote the fair and equitable distribution of state transportation funding to cities and counties. Because of the state general fund deficit that could affect transportation funding, SCAG's efforts to maintain and generate transportation funding will be critical at the state level.

TEA III

- Continue discussions with appropriate federal, state and local agencies and interest groups for the advancement of principles, priority projects and programs for inclusion in the authorization of the Transportation Equity Act (TEA-3).
- Initiate discussions with Members of Congress, administration officials and appropriate interest groups to promote inclusion of SCAG principles and priority projects in the authorization of Transportation Equity Act (TEA-3)

Appropriations

- Seek FY 2004 appropriation for truck lane implementation.
- Support legislation that provides funding for projects along the Alameda Corridor and Alameda Corridor East in Los Angeles, Orange, Riverside and San Bernardino counties.

- Support earmarks or discretionary funding applications of other jurisdictions within the SCAG region consistent with the adopted Regional Transportation Plan (RTP) and SCAG policies.
- Work with the 710 Gap Closure Task Force to secure funding and approval for completion of I-710, consistent with the Regional Transportation Plan.

Maglev

- Seek FY 2004 appropriation to continue predeployment planning and environmental review for California MAGLEV Deployment Program.
- Initiate discussions with Members of Congress, administration officials and other organizations, to include funding for the California MAGLEV Deployment Program in the authorization of the Transportation Equity Act (TEA-3).
- Work with consultants to apprise SCAG's congressional delegation of the initial operating segment and other study areas.
- Work with MAGLEV consultants to keep SCAG's congressional delegation apprised of California MAGLEV Deployment Program.
- Work with consultants to keep SCAG's congressional delegation apprised of state level high speed rail corridor studies affecting the region.

Southwest Compact

- Building on the idea of a Southwest Passage, advance concepts and secure support for the Southwest Compact with representatives of Texas, New Mexico and Arizona. Develop and implement a strategy to promote partnership to Members of Congress and administration officials.
- Monitor and support federal legislation related to the creation of a Southwest Compact Authority, whose primary mission is to develop plans and programs that result in increased economic development opportunities along Southwest border communities.

Aviation

- Conduct briefings for members of Congress, administration officials and members of the California Legislature regarding SCAG's aviation activities designed to promote and implement a decentralized aviation system.

Transportation Financing

- Develop a package of revenue mechanisms and strategies to finance major regional projects and seek legislation enabling SCAG to employ these mechanisms to fund projects contained in the Regional Transportation Plan and other infrastructure plans.
- Develop and support legislative proposals to increase transportation funding through innovative financing concepts such as user fees and sales tax on motor vehicle fuels.

HOUSING AND LAND USE

In 2002, SCAG was active in the passage of Senate Bill 1227 (Burton), which placed Proposition 46, "The Housing & Emergency Shelter Trust Fund Bond Act of 2002", on the November 2002 statewide ballot. Proposition 46, approved by voters in November 2002, finances \$2.1 billion in affordable housing construction through a state bond. SCAG was also a key agency on the issue of housing element reform, participating in a statewide working group to develop a consensus on the issue. In 2003, SCAG legislative staff will continue efforts in these and other specified areas:

- Seek necessary funding to fulfill Regional Housing Needs Assessment (RHNA) mandate.
- Work with the SCAG Community, Economic and Human Development (CEHD) Committee to develop legislative proposals relating to promoting an increase in and the equitable distribution of affordable housing throughout the region.
- Continue discussions with stakeholder interests in the region and throughout the state to develop bill language to reform the Regional Housing Needs Assessment process as part of housing element reform legislation.
- Monitor and participate in legislative activities related to jobs-housing balance including, but not limited to, growth policies, construction defect litigation and water availability.

ENERGY AND ENVIRONMENT

During the 2001-2002 legislative session, SCAG's legislative efforts in energy and the environment focused on solid waste conversion technologies. SCAG co-sponsored AB 1952 (Bogh) to eliminate the ten-percent cap on diversion credits for biomass conversion. AB 1952 was succeeded by AB 2770 (Matthews) and amended by the California Integrated Waste Management Board in a manner that discouraged, rather than promoted, conversion technologies. Further amendments removed objections to the bill, but did nothing to eliminate the ten-percent cap. The ability to earn full diversion credits for

conversion remains the top Energy and Environment goal of the 2003 Legislative Program.

Solid Waste

- Support legislation that eliminates cap on diversion credits for transformation or conversion of municipal solid waste.
- Track California Integrated Waste Management Board (CIWMB) regulatory action including issues regarding specific types of waste, alternative daily cover, and markets for recyclable materials.

Water

- Track amendments to Clean Water Act, particularly in the area of point and non-point source pollution.
- Track state legislation, regulatory action and pending litigation regarding the implementation of Total Maximum Daily Loads.

Energy

- Encourage state efforts to develop energy goals and coordinate local initiatives to provide reliable, secure and safe energy at the lowest possible cost.
- Track energy legislation relating to the formation, aggregation, and siting of utilities, energy efficient building standards, and renewable energy resources

FINANCE

SCAG will work with federal funding partners to restructure its annual federal comprehensive planning grant, the primary source of funding for its federally mandated regional planning programs, to take advantage of the flexibility of the portion of the grant made available from the Federal Transit Administration. It will also pursue legislation to phase out the cap on Transportation Development Act funds.

- Seek change in Consolidated Planning Grant allocation process from a cost reimbursement program to an advance payment program.
- The Regional Council, in collaboration with the County Transportation Commissions, will seek legislation to phase out the statutory cap on Transportation Development Act (TDA) revenues available to SCAG to an amount consistent with the organization's roles and responsibilities that support the development of regional mass transportation services.

DATE: January 9, 2003

TO: Regional Council

FROM: Ty Schuiling, Chair, Regional Transportation Plan Technical Advisory Committee (RTP TAC) and Director, Planning and Programming, SANBAG, 909-884-8276; tschuiling@sanbag.ca.gov

Naresh Amatya, Interim Manager, Planning and Analysis, SCAG
213-236-1885; Amatya@scag.ca.gov

RE: Proposed Revisions to 2001 RTP Goals

EXECUTIVE DIRECTOR'S APPROVAL:

RECOMMENDED ACTION:

Approve proposed revisions to 2001 RTP Goals for inclusion in the 2004 RTP. The following are the recommended goals for the 2004 RTP :

- 1. Maximize mobility and accessibility for all people and goods in the region*
- 2. Ensure travel safety and reliability for all people and goods in the region*
- 3. Preserve and ensure a sustainable regional transportation system*
- 4. Maximize the productivity of our transportation system*
- 5. Protect the environment, improve air quality and promote energy efficiency*
- 6. Encourage land use and growth patterns that complement our transportation investments*

This item was presented to, and approved by, the TCC on December 5, 2002. This item was also presented as an information item to the Highway and Transportation Finance Task Force on November 21, 2002.

SUMMARY:

The RTP Technical Advisory Committee (TAC) and supporting SCAG staff recommend a set of revised goals to guide the development of the 2004 Regional Transportation Plan. The TAC recommendations represent the culmination of significant deliberations aimed to achieve several improvements to the existing goals.

The following are existing goals in the current (2001) RTP.

1. *Improve transportation mobility for all people and enhance the movement of goods within the subregions and the Region.*
2. *Ensure that transportation investments are cost-effective, protect the environment including improving air quality, promote energy efficiency and enhance the quality of life.*
3. *Serve the public's transportation needs in safe, reliable and economical ways, which also meet the individual needs of those who depend on public transit, such as the elderly, handicapped and disadvantaged.*
4. *Develop regional transportation solutions that complement the subregional transportation systems and the land use plans of communities within the subregions.*
5. *Promote transportation strategies that are innovative and market-based, encourage new technologies and support the Southern California economy.*
6. *Encourage land use and growth patterns that enhance the livability of our communities and maximizes the productivity of transportation investments.*

A summary of major revisions to the existing goals that resulted from deliberations at the RTP TAC is provide below:

- **Critical additions** – The 2001 RTP goals did not address two important areas deemed critical for the development of the 2004 RTP:
 - *System Preservation* – The TAC recommends including a goal that specifically calls for the preservation of the transportation system. The current goals do not address preservation at all. The TAC believes this goal to be critical so we properly maintain our current system before committing our limited resources to expand it. Given that maintenance represents a large proportion of the SCAG region's transportation expenditures, it is important that the RTP include a goal for preservation and that the condition of the transportation assets in the Region be monitored and evaluated on a regular basis.
 - *System Productivity* – The TAC also recommends a goal for system productivity so that we “get the most of our existing system”. There is evidence to suggest that we have not been achieving the highest productivity levels from our system. This is especially important given the limited resources available for significant infrastructure expansion investments in the Region. Again, the TAC also recommends monitoring and evaluating the system's productivity on an ongoing basis.

- **Aggregation of similar goals** – The TAC recommends that the 2004 RTP goals be more succinct. For instance, the TAC recommends stating that the first goal for the 2004 RTP call for “maximizing mobility and accessibility for all people and goods in the region”. This statement aggregates several 2001 RTP goals, each dealing with mobility in different ways (i.e., for people, goods, for transit dependents, for the elderly). The TAC recognizes that it is important to take all the population segments and modes into consideration in the 2004 RTP. However, the TAC believes that we cannot have separate goals for each segment of the population and each mode.
- **Direct linkages of goals to performance measurement** – The recommended goals would set the framework for performance measurement during and after the development of the 2004 RTP. The TAC believes it is critical that we can show how the 2004 RTP relates to the goals and then monitor the progress achieved through implementation.

Note that the TAC recognizes that funding constraints may limit our ability to improve conditions region-wide and as such calls for “maximizing” mobility for all people and goods in the region. Also note that the TAC chose to maintain a reasonable number of goals so they can be easily communicated to all regional stakeholders and to the public at large.

The TCC has approved these revised RTP goals and we look forward to presenting the performance measurement framework that will be developed to support these goals to the Regional Council in the near future.

Fiscal Impact:

None

REPORT

DATE: January 9, 2003

TO: Regional Council

FROM: Ty Schuiling, Chair, Regional Transportation Plan Technical Advisory Committee (RTP TAC) and Director, Planning and Programming, SANBAG, 909-884-8276; tschuiling@sanbag.ca.gov

Philip Law, Associate Regional Planner, SCAG
213-236-1841; law@scag.ca.gov

RE: Baseline Definition for 2004 RTP and Second Tier List of Regionally Significant Projects to be Grandfathered into the 2004 RTP at the request of the County Transportation Commissions

EXECUTIVE DIRECTOR'S APPROVAL:

RECOMMENDED ACTION:

Adopt the Transportation Conformity definition of Baseline (primarily 2002 RTIP No-Build) as the 2004 RTP Baseline. **Adopting this definition would result in inclusion of projects that have financial commitment and are reasonably ready for delivery.**

Also, adopt a Second Tier list of regionally significant projects (primarily 2002 RTIP Build) that should be grandfathered into the 2004 RTP at the request of the County Transportation Commissions (CTCs).

This item was presented to, and approved by, the TCC on December 5, 2002. This item was also presented as an information item to the Highway and Transportation Finance Task Force on November 21, 2002.

DISCUSSION - BUDGET REDUCTION IMPACT ON BASELINE DEFINITION:

The Baseline project list could be significantly impacted by the budget reduction, but the extent remains unclear. At a minimum, loss of funding could delay the implementation of some projects. In the worst case, loss of funding could lead to local agencies reprioritizing some of the committed projects, resulting in a smaller Baseline project list.

DISCUSSION – BUDGET REDUCTION IMPACT ON TRANSPORTATION CONTROL MEASURES (TCMs):

Budget reductions may cause delays in the delivery of TCM projects listed in the Regional Transportation Improvement Program (RTIP). The Environmental Protection Agency's (EPA's) Transportation Conformity Rule requires the timely implementation of TCMs that are identified and committed to in the applicable State Implementation Plan or Air Quality

Management Plan. TCMs reduce emissions “by reducing vehicle use or changing traffic flow of congestion conditions” (40 CFR 93.101) and include HOV improvements, transit and system management improvements, and information services. Failure to show timely implementation of TCMs may result in a conformity lapse.

If any TCMs are behind the schedule established in the applicable implementation plan, then SCAG and Caltrans must determine that the obstacles to implementation are being overcome, and that all State and local agencies with influence over approvals or funding for TCMs are giving maximum priority to TCMs over other projects (40 CFR 93.113(c)(1)). In addition, the funding for those TCMs behind schedule may not be reallocated to other projects that are not TCMs, nor to projects ineligible for Federal funding intended for air quality improvement projects (40 CFR 93.113(c)(2)). Nothing in the RTIP may interfere with the implementation of any TCM in the applicable implementation plan (40 CFR 93.113(c)(3)).

SUMMARY:

The Environmental Protection Agency’s (EPA’s) Transportation Conformity Rule defines the Baseline scenario to be used for conformity analysis of transportation plans and programs. The RTP TAC recommends using this Baseline not only for conformity analysis, as is required, but also for all of the performance analyses of the 2004 RTP.

As the EPA Baseline definition incorporates only the No-Build portion of the projects contained in the adopted 2002 RTIP, the status of the remaining RTIP Build projects that do not qualify for Baseline becomes uncertain. The RTP TAC recommends that this Second Tier of projects, including the remaining RTIP projects as well as any other projects that have funding commitments but may not be included in the 2002 RTIP, be grandfathered into the 2004 RTP at the request of the CTCs. In effect, this would ensure that all of the alternatives to be considered during the development of the 2004 RTP would include both the Baseline projects and the additional Second Tier of projects identified by the CTCs.

BACKGROUND:

One of the lessons learned from the 2001 RTP is that the definition of Baseline is a critical issue that should be addressed early in the development of the RTP. A clear definition of Baseline is significant not only for modeling and performance analysis purposes, but also for the development of the financial plan and for conformity.

During the development of the 2001 RTP, the Baseline was defined to include:

1. All in-place regionally significant highway and transit facilities, services and activities;
2. All on-going travel demand management (TDM) or transportation system management (TSM) activities;

3. All projects in the RTIP with partial or full funding for construction; and
4. Projects from the Governor's Traffic Congestion Relief Plan, TEA-21 High Priority projects, and other projects identified by the CTCs.

This definition proved to be too inclusive for the RTP conformity analysis, and therefore two baselines were used for the 2001 RTP – one for the conformity analysis, and another for the remaining performance analyses.

EPA's Transportation Conformity Rule defines the Baseline scenario as the future transportation system that will result from current programs, including:

1. All in-place regionally significant highway and transit facilities, services and activities;
2. All on-going travel demand management (TDM) or transportation system management (TSM) activities; and
3. Completion of all regionally significant projects, regardless of funding source, which are currently under construction or undergoing right-of-way acquisition (except for hardship acquisition and protective buying); come from the first year of the previously conforming transportation plan (RTP) and/or transportation improvement program (RTIP); or have completed the National Environmental Policy Act (NEPA) process.

At its September 10, 2002 meeting, RTP TAC endorsed using the Baseline scenario defined by the Transportation Conformity Rule as the Baseline for the 2004 RTP. Some CTC staff members expressed concern about the status of the remaining RTIP projects that did not qualify for Baseline under EPA's definition.

Accordingly, a meeting was held at SCAG on October 8, 2002 between SCAG staff and the CTCs' staff. The meeting was attended in person by Doug Kim and Eric Carlson, MTA, and Taimour Tanavoli, LADOT. Attending via teleconference were Ellen Burton, OCTA, Ty Schuiling, SANBAG, Shirley Medina, RCTC, Kerry Forsyth, VCTC, and Rosa Lopez, IVAG. Hasan Ikhata, Huasha Liu, Naresh Amatya and Philip Law were the SCAG staff that attended the meeting.

Prior to the meeting with the CTCs, SCAG staff transmitted a list of potential Baseline projects for their review, based on EPA's Baseline definition and represented by the 2002 RTIP "No-Build" projects. As a result of the discussion at the October 8 meeting, it was agreed that the Baseline list would be expanded to include: 1) all projects that will have NEPA clearance by December 2002, and 2) any additional projects that may not meet the NEPA clearance requirement but meet any of the other criteria specified by the Transportation Conformity Rule. The CTCs were given two weeks to identify any such additional projects that would qualify for inclusion in the 2004 RTP Baseline. At the same time, the CTCs were asked to review the "No-Build" list provided by SCAG staff and provide any applicable updates to the information contained in the lists.

In addition, SCAG staff provided the CTCs a list of “Build” projects, which are the rest of the projects contained in the 2002 RTIP that do not meet the Baseline definition. The “Build” list provides a primary basis for the Second Tier list of regionally significant projects that will be grandfathered into the 2004 RTP at the CTCs’ request. The CTCs will review this list and provide any applicable updates. Furthermore, it was generally understood that all capital projects of regional significance that are committed through identifiable programming or budget documents, but are not in the 2002 RTIP, will also be considered for inclusion in this Second Tier list. The CTCs will identify such projects and inform SCAG staff of such projects in a reasonable time frame, but no later than November 2002.

FISCAL IMPACT:

There will be no fiscal impact.

MEMO

DATE: December 19, 2002

TO: Regional Council
Transportation & Communications Committee,

FROM: Annie Nam, Senior Regional Planner
(213) 236-1827; nam@scag.ca.gov

Charles Keynejad, Senior Regional Planner
(213) 236-1915; keynejad@scag.ca.gov

RE: Transportation Funding Shortfall

RECOMMENDED ACTION: Information Only.

SUMMARY:

Transportation revenues will decline substantially in the near term due to the State General Fund deficit and more recent projections of the State Highway Account (SHA) cash balance. SCAG staff will continue to monitor and assess the fiscal impact of State budgetary actions – particularly, the Governor’s FY2004 State Budget Proposal due to be released on January 10, 2003. This memorandum is intended to provide some preliminary analysis of the potential impacts to the SCAG region based upon currently available information.

The Governor’s Mid-Year Spending Reduction Proposal could potentially mean a nearly \$1 billion transportation funding loss for the SCAG Region through FY2004. Assuming the complete suspension of General Fund payments to transportation from FY2003 through FY2009, the SCAG Region could potentially lose over \$4 billion. Additionally, Caltrans’ projected State Highway Account shortfall could mean that the SCAG region would lose another ~\$1.7 billion. In total, the SCAG region could potentially lose nearly \$6 billion through FY2009.

Moreover, Congress has yet to enact the FY2003 Transportation Appropriations Bill. The State of California stands to lose \$270 million compared to FY2002 levels if in fact the final obligation limitation is set at \$27.7 billion as currently proposed by the House of Representatives.

Suspending State General Fund payments to transportation alone would decrease the capacity of the transportation agencies to implement their projects and eventually could force the SCAG Region out of transportation conformity. This could mean an additional loss of up to \$8 billion in state and federal funds. Inability to implement the projects in the 2001 Regional Transportation Plan (RTP) and the 2002 Regional Transportation Improvement Program (RTIP) would worsen the air quality in the SCAG Region.

BACKGROUND:

TRANSPORTATION REVENUES IMPACTED BY THE STATE GENERAL FUND DEFICIT

The cumulative State General Fund deficit is expected to reach \$34.8 billion according to the latest reports. To address this deficit, the Governor's Mid-Year Spending Reduction Proposal includes a \$1.8 billion reduction to transportation. General Fund supported transportation programs would be affected including:

- Transportation Congestion Relief Program (TCRP) project commitments,
- 40% TCRP formula county and city shares for local streets and roads,
- 40% TCRP formula share for State Transportation Improvement Program (STIP)
- 10% TCRP formula share for Public Transportation Account (PTA) – STIP
- 10% TCRP formula share for State Transit Assistance (STA)

What does this mean for the SCAG Region? Based upon proportional share, the potential impacts to transportation funding in the SCAG Region could be about \$800 million to nearly \$1 billion¹ through FY2004.

THE GOVERNOR'S REDUCTION PROPOSAL	FY2003 THROUGH FY2004
Statewide Reduction to Transportation	\$1.8 billion
SCAG Region's Estimated Proportional Share of Reduction	~\$800 million to \$1 billion

SCAG recognizes that there may be further suspension of General Fund payments to transportation in the outyears. Assuming suspension from FY2003 through FY2009², the SCAG Region is estimated to lose over \$4 billion. This represents roughly 11percent of the RTP revenues for the SCAG Region during the same period and about 16 percent of the RTIP programmed revenues for the SCAG Region during the same period.

ASSUMING SUSPENSION OF GENERAL FUND SUPPORTED TRANSPORTATION PROGRAMS THROUGH FY2009	<u>FY2003</u> THROUGH <u>FY2009</u>
State General Fund Commitments to Transportation	\$9.5 billion
SCAG Region's Estimated Proportional Share of Reduction	~\$4 billion

¹ SCAG estimates a range based upon uncertainties as to project readiness and impacts to projects currently under contract as applicable.

² TCRP commitment funds through FY2008. Proposition 42 begins in FY2009.

THE STATE HIGHWAY ACCOUNT (SHA) SHORTFALLS

In addition to the reductions proposed to address the State General Fund deficit, the SHA cash balance is projected to fall below planned levels. Revenue assumptions that were made in the 2002 STIP Fund Estimate were more optimistic than is currently expected:

- State revenues from motor vehicle weight fees are lower than forecasted levels. Between FY2002 through FY2004, Caltrans reports a projected shortfall of \$446 million.
- The 2002 STIP Fund Estimate includes the assumption that there would be a 20% increase in federal apportionment in the first year of the new federal act (federal funding levels beyond TEA-21). This level currently seems unlikely. Assuming a flat rate of growth, the State's total federal reimbursement decrease is projected to be about \$600 million for FY2004 alone.
- Caltrans further projects that revenues will continue to be short of planned levels in the outyears as a result of the aforementioned factors. They estimate that the imbalance between revenues and expenditures will continue through the full five-year STIP period (FY2003 through FY2007). Caltrans now estimates that the total revenue shortfall for the SHA could be **more than \$4 billion** from **FY2003 through FY2007**.

THE STATE HIGHWAY ACCOUNT	<u>FY2003</u> THROUGH <u>FY2007</u>
Projected State Highway Account Shortfall	~ \$4 billion
SCAG Region's Estimated Proportional Share	~ \$1.7 billion

FEDERAL TRANSPORTATION APPROPRIATIONS

Additionally, SCAG will continue to monitor activities at the federal level as Congress works to enact the FY2003 Transportation Appropriations Bill:

- To date, the House of Representatives' version of the federal Transportation Appropriation Bill (HR5559) sets the obligation limit for federal-aid highways at \$27.7 billion, about \$4.1 billion less than the FY2002 level of \$31.8 billion.³ Moreover, the latest Continuing Resolution (CR – through January 11, 2003), intended to keep the federal government functioning, sets the obligation cap at \$27.7 billion while the CR remains in effect or until the FY2003 Transportation Appropriations Bill is enacted.
- Assuming the final obligation limit for federal-aid highways is set at \$27.7 billion, this is about \$4.1 billion less than the FY2002 level of \$31.8 billion. The difference for the State of California compared to the FY2002 level is about \$270 million.

³ The Senate's version sets the obligation limit at \$31.8 billion.

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CONFORMITY IMPLICATIONS

Currently, Project sponsor agencies are operating under two SCAG documents: the 2001 RTP and the 2002 RTIP. Both documents are federally approved and conforming to laws pertaining to air quality.

From the transportation and air quality conformity point of view, the SCAG Region is one of the most complex Metropolitan Planning Organizations (MPO) in the nation. With the exception of the eastern Riverside County (a less populated area between the eastern boundary of Coachella Valley and the County's eastern boarder), the rest of the Region is in one or more federal non-attainment areas. Thus, every single RTP or RTIP must comply with the federally required Transportation Conformity Rule in order to obtain funding for implementation.

SCAG's RTP contains a set of transportation strategies for improving mobility, relieving traffic congestion, and reducing emissions in the Region. SCAG's RTIP is a vehicle to implement these strategies and to identify the amount of funds for implementation of each project. Timely implementation of the projects and programs in the RTIP is essential to demonstrate the Region's conformance with the State Implementation Plan's goals and objectives for attainment of air quality standards. Particularly, failure to implement the Transportation Control Measure (TCM) projects would jeopardize the current transportation conformity status.

TCM strategies have dual benefits, they reduce the vehicle miles traveled (VMT) while reducing emissions. The TCM categories include transit, high occupancy vehicle (HOV) lanes, and the rideshare program. The RTP and RTIP emission reductions are the result of timely implementation of both the TCM and non-TCM projects. The non-TCM projects are known as the capacity enhancement projects, i.e. the standard freeways, highways, and major arterials. The magnitude of the funding shortfall would affect the non-TCM as well as TCM projects.

Suspending General Fund payments to transportation alone would have an adverse impact on the 2002 RTIP. The 2002 RTIP is a six-year program, covering the fiscal years 2002/03 – 2007/08 with a value of \$ 24 billion in investments. Any adverse impact on transportation projects programmed through the RTIP could potentially cause the SCAG Region to be out of conformity.

If the SCAG Region fails to meet air quality conformity requirements, thereby falling into conformity lapse, the Region would lose up to \$ 8 billion dollars in combined federal and state funds.

On December 18, 2002, SCAG's Executive Director, Mr. Mark Pisano, conveyed these concerns to the State Legislature (the Assembly Budget Subcommittee). SCAG's legislative staff will further address State budget concerns in the coming weeks.

REPORT

TO: Energy and Environment Committee (EEC) and Regional Council (RC)
FROM: Molly Hoffman, Senior Regional Planner, Aviation and Environmental Planning, 213-236-1804, hoffman@scag.ca.gov
DATE: January 9, 2003
SUBJECT: Transportation Control Measures (TCMs) for the 2003 South Coast Air Quality Management Plan (SCAQMP)

EXECUTIVE DIRECTOR APPROVAL

Recommended Action:

Approve Staff Recommendations

Summary:

SCAG is responsible for identifying the Transportation Control Measures (TCMs) in the 2003 South Coast Air Quality Management Plan (SCAQMP). SCAG staff is currently preparing the Transportation Control Measure (TCM) Appendix for the 2003 SCAQMP, which is based on the TCMs outlined in the 2001 Regional Transportation Plan (RTP), and includes TCM-related projects from the first two years of the 2002 Regional Transportation Improvement Program (RTIP). Staff recommends that the EEC and RC approve the following TCM strategies for incorporation into the 2003 SCAQMP.

1. TCM-01A: High Occupancy Vehicle (HOV) Improvements
2. TCM-01B: Transit/Systems Management
3. TCM-01C: Information Services

This TCM Appendix will be incorporated into the 2003 SCAQMP.

The Draft 2003 SCAQMP for the South Coast Air Basin (SCAB) is tentatively scheduled to be released the third week in January 2003. Public workshops are expected to be held in January, and adoption by the SCAQMD Board is expected to occur in the Spring of 2003. Documents pertaining to the 2003 SCAQMP will be posted at <http://www.aqmd.gov/aqmp/03aqmp.htm>, as they are released for discussion. An update on SCAQMD staff's work on the 2003 SCAQMP is provided after the TCM section below.

Background:

The South Coast Air Quality Management District (SCAQMD) held meetings on December 11, 2002 to discuss the development of the 2003 SCAQMP. Several Appendices of the Draft SCAQMP have been released for discussion and are posted at <http://www.aqmd.gov/aqmp/03aqmpmtg.htm>. SCAG staff has prepared a Draft TCM Appendix for the 2003 SCAQMP, which is based on the TCMs outlined in the 2001 RTP and further specified in the 2002 RTIP.

Transportation Control Measure (TCMs) – Appendix to the 2003 SCAQMP:

TCMs are defined as strategies which adjust traffic patterns, influence modes of travel, or modify vehicle use, in ways that, on the whole, reduce air pollutant emissions within the region. SCAG is responsible for identifying the TCMs, based on the most current RTP and RTIP, for inclusion in the 2003 SCAQMP.

The Draft TCM Appendix to the SCAQMP outlines three general sets of measures and provides performance criteria pertaining to the Timely Implementation requirement of the Transportation Conformity Rule. Staff requests that the EEC and RC approve the following TCM strategies for incorporation into the 2003 SCAQMP.

1. TCM-01A: HOV Lanes
Program and implement the following actions:
 - HOV projects (& pricing alternatives)
 - Park and ride lots/intermodal facilities
2. TCM-01B: Transit/Systems Management
Program and implement the following actions:
 - Bus, rail and shuttle transit improvements
 - Bicycle and pedestrian facilities
 - County-/corridor-wide vanpool programs
 - Provide seed money for the Transportation Management Associations (TMAs)¹
3. TCM-01C: Information Services
Program and implement the following actions:
 - Marketing information services for employers and activity centers to encourage shared rides; transit use and transit pass centers.
 - Urban freeway system management improvements
 - Smart corridors system management programs
 - Railroad consolidation programs

¹ (TMAs) are private, non-profit, member-controlled organizations that provide transportation services in a particular area, such as a commercial district, mall, medical center or industrial park.

- Congestion management plan-based demand management strategies
- Telecommunications facilities/satellite work centers

It is also SCAG's responsibility to ensure that TCMs are funded in a manner consistent with the SCAQMP's implementation schedule. The transportation conformity process is designed to ensure timely implementation of TCMs, thus reinforcing the link between State Implementation Plans (SIPs) and the transportation planning process. The enforceable commitment for this measure is to fund and implement the first two years of the six-year RTIP.

Update on Draft 2003 SCAQMP

Modeling Update

The SCAQMD is in the process of finalizing its ozone modeling analysis and has decided to use the August 5, 1997 ozone episode (rather than the July 16, 1998 episode, which is more extreme) to determine carrying capacity for ozone. SCAQMD is confident that the selection of this episode is legally defensible. Preliminary carrying capacities for volatile organic compounds (VOCs) have been determined based on three different photochemical models, with the Urban Airshed Model (UAM) providing the most stringent carrying capacity of 310 tons of VOC per day. Currently, the SCAQMD's modeling strategy is to use three different photochemical models, with UAM as a base. In addition, SCAQMD may construct a strategy based on the average of the three model analyses. (UAM is the model recommended by EPA, although use of alternate models is allowed.)

The SCAQMD is also in the process of finalizing its particulate matter modeling analysis. In addition to analyzing particulate matter with diameters of 10 microns or less (PM10), the SCAQMD is also assessing the requirements to attain the standard for particulate matter with diameters of 2.5 microns or less (PM2.5) beyond 2010.

Emissions Inventory Update

The SCAQMD is in the process of finalizing its emissions inventory, which will form the basis for the 2003 SCAQMP. Preliminary results indicate that on-road and area sources contribute the majority of ozone precursors (VOC and nitrogen oxide (NOx) emissions) to the 2010 emissions inventory. In addition, area sources (mainly fugitive dust) contribute the majority of PM10 and PM2.5 emissions to the 2006 emissions inventory. Preliminary analysis of emission reduction targets indicate that there is likely to be a shortfall in emission reductions within the SCAB region, which will need to be allocated to future (as yet unspecified) advanced technology commitments—commonly referred to as the “black box” component. Under the Federal Clean Air Act, the emission reductions allocated to such future advanced technology measures will be need to be fully specified by 2006.

Control Strategies

The SCAQMD is still awaiting the state and federal elements of the mobile source control plan from the California Air Resources Board (CARB). CARB expects to release the control strategy in early January, in concert with the 2003 SCAQMP schedule.

The SCAQMD has released a preliminary draft of the Stationary Source Control Measures, which includes 18 control measures and 3 contingency measures. Control measure categories include coating and solvents, petroleum operations and fugitive VOC emissions, combustion sources, fugitive dust sources and miscellaneous sources. The contingency measures include accelerated implementation of control measures, enhanced oxygenated fuel content, and miscellaneous sources.

2003 SCAQMP Schedule

The Draft 2003 SCAQMP for the SCAB is tentatively scheduled to be released the third week in January 2003. Public workshops are expected to be held in the following weeks, and adoption of the Plan by the SCAQMP Board is expected to occur in the Spring of 2003.

Fiscal Impact:

Approval of these staff recommendations will not have a fiscal impact on SCAG. Staff work involved with this task is allocated in the FY02/03 budget.

REPORT

DATE: November 20, 2002
TO: Regional Council
FROM: Lynn Harris, Manager, Community Development
SUBJECT: Compass (Growth Visioning) Project Progress Report

RECOMMENDED ACTION: Information Only

SUMMARY:

Following is a brief description of Compass Project launch on January 28 – 29, 2003 and the subsequent series of public workshops in the spring. The consultant will be introduced and will provide an overview of the project launch and upcoming activities.

BACKGROUND:

As discussed on June 6, 2002 at the Regional Council retreat, one interim product of the Compass Project will be the development of two growth scenarios for the 2004 Regional Transportation Plan (RTP). The development of these growth scenarios and corresponding EIR/RTP Alternatives will be early milestones in the current effort to create a streamlined and integrated EIR and RTP. Eventually, the Environmental Impact Report (EIR) will become the analysis document for the Regional Council to evaluate and select the alternative that will become the 2004 RTP.

Project Launch

Just prior to a large press event Compass representatives will meet with and brief editorial boards of the major newspapers in the largest counties – Los Angeles, Orange and Riverside – with highlights of the recent scientific polling, and the importance of the Compass initiative. The team will leave behind media kits and op/ed pieces tailored to their region.

On January 28th and 29th we will hold a major press event to dramatize the bold nature of SCAG's Compass Project, as well as the sheer vastness of envisioning a future direction for 38,000 sq. miles of Southern California if public officials and the public are to embrace and support this effort. Two unique news events will be held to achieve these goals:

"News Conferences in the Sky."

Selected A-list news media will be invited to a news conference at airport locations in the region where they will be briefed on Compass and the challenges we face. Large maps of the region will indicate issues of housing, jobs, traffic, and other land use topics. With that information, reporters will board helicopters or small aircraft with a knowledgeable spokesperson. They will fly over specific locations throughout the region to see first-hand and

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be briefed on what they are seeing. After the trip, they will return to the airport for a concluding briefing and Q&A. They will receive media kits at the conclusion.

“Disney Southern California Fly-Over”

SCAG will invite selected B-list reporters to Disneyland. There they will be briefed on the land use challenges in the region and SCAG’s Compass project. Then they will board a special ride that gives the experience of flying over the region. After the ride, SCAG spokespeople will conclude its briefing with Q&A. Media will receive media kits.

At both media events, SCAG will have local community and political representatives speaking about the issues. After these news briefings, a news release will go out to media throughout the six-county region. Additionally, Compass representatives will go to KCET-TV “Life and Times” for an interview.

Communication and outreach will continue after this exciting launch and extend throughout the project. Other milestones that will also revolve around communication with the public, using newsletters, articles, presentations and the Internet include:

Spring 2003 - A series of at least 19 public workshops.

Fall 2003 - Evaluation and publication of a series of alternative growth scenarios.

Winter 2003 – Selection of the Compass Vision

Spring 2004 – A strategy for implementation of the Compass Vision

Public Workshops

On December 13, 2002 the team conducted a workshop session to both test several different approaches and scales, and to help create some alternative scenarios for the regional transportation team. The workshop process that we have planned to utilize was developed approximately five years ago during work in the Salt Lake City area of Utah. The process has undergone significant refinement with each subsequent project. As predicted, the Compass project will require much innovation and refinement of our process. For the test workshop we ran the exercise at three different scales: the Region, one development-shed (roughly the size of Riverside County), and the neighborhood level. Feedback from participants showed that with some minor modifications, we will garner a great deal of information from the regional and development shed scale exercises.

Beginning in late February or early March the team will begin an approximately two-month series of public workshops. Some workshops will focus on the Region as a whole, while the majority will be at the development-shed or ‘super-subregional’ scale. At both of these scales, individuals will be working with scaled ‘chips’, actually stickers, that represent not only a grouping of development types, but also the many associated impacts or benefits of those styles of development. Participants will work in groups of 10 to turn their basemap into their vision or ‘plan’ for the area.

The small area exercise is quite different in character. It allows participants to thoughtfully examine the details that arise at the neighborhood level, for example, problems to solve could include: how to find room for an increasing population in a developed area, or how to create

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safe places, how to encourage reinvestment in decaying neighborhoods. While the two larger scale workshops could be held simultaneously, providing the participants with a choice of maps, this type of workshop, if chosen will necessitate a separate event.

After the round of workshops is completed the project team will gather all the maps together looking for common themes and unique ideas for both land use and transportation. These common themes will form the beginnings of a series of alternative growth scenarios. These scenarios will be evaluated and reviewed publicly as we work toward the creation of a regional growth vision.

FISCAL IMPACT: None

REPORT

DATE: January 9, 2003

TO: Community, Economic and Human Development Committee (CEHD) and Regional Council (RC)

FROM: Forecasting Technical Task Force (FTTF)

SUBJECT: AUTHORIZATION FOR DEVELOPMENT OF A TECHNICALLY BALANCED GROWTH PROJECTION USING TECHNICAL CRITERIA

EXECUTIVE DIRECTOR'S APPROVAL:

RECOMMENDED ACTION:

The FTTF requests that the CEHD and the Regional Council reaffirm the need for the development of a Technically Balanced Growth Projection that incorporates both the Trend Projection and Local Input. The FTTF proposes that this Technically Balanced Growth Projection start with the Trend Projection developed by SCAG staff and the FTTF and Local Input recently received by SCAG from jurisdictions throughout the region. The FTTF would then apply any or all criteria deemed technically justifiable and useful in the professional judgment of the FTTF, including the results of transportation modeling of the Trend Projection and Local Input. To avoid any delay to the 2004 RTP schedule, the FTTF requests that this recommendation be forwarded to the Regional Council for approval on the same day.

In addition, staff and the FTTF recommend that a joint workshop of the CEHD and FTTF be scheduled as soon as possible to: 1) share information and analyses of the Trend Projection and Local Input and their implications; 2) evaluate results of the transportation demand modeling analysis; and 3) discuss technical approaches for development of the Technically Balanced Growth Projection.

BACKGROUND:

The CEHD and Regional Council approved the FTTF recommended technical evaluation criteria except for the Regional Criterion 3 and County Criterion 2 at their December 5, 2002 meeting. On December 19th, the FTTF met and discussed this issue at length. It was the consensus of the committee that neither the Trend Projection nor Local Input was technically suitable to serve as a Technically Balanced Growth Projection. It was agreed that it is necessary to proceed with the development of a technically balanced projection. The analysis leading up to the development of the Technically Balanced Growth Projection will utilize any or all criteria deemed technically justifiable and useful in the professional judgment of the FTTF. It was also agreed that as part of the analyses SCAG staff would perform transportation demand modeling analyses of the Trend Projection and Local Input to provide additional information for preparing the Technically Balanced Growth Projection. Finally, it was agreed that the CEHD should meet with the FTTF to discuss the

REPORT

implications of the Trend Projection and Local Input, and to share information before finalization of the Technically Balanced Growth Projection.

All of the three technical projections (Trend Projection, Local Input, and Technically Balanced Growth Projection) will be moved forward for policy debate, together with the growth visioning alternative(s).

SUMMARY:

The FTTF strongly believes that the Technically Balanced Growth Projection should be developed. The Technically Balanced Growth Projection should maintain consistent relationships between population, households and employment at the regional and county levels. Development of the Technically Balanced Growth Projection will be based on any or all criteria deemed technically justifiable and useful in the professional judgment of the FTTF, and transportation demand modeling analysis.

FISCAL IMPACT:

The costs associated with the development of the Technically Balanced Growth Projection using the technical criteria are identified in the SCAG budget in the Planning Data and Forecasting Section.

ATTACHMENT A

EXAMPLES OF GUIDELINES TO BE USED IN FORMULATING THE TECHNICALLY BALANCED GROWTH PROJECTION

REGIONAL TECHNICAL CRITERIA

- 1) Job, population and household growth rates decrease each decade;
- 2) Job growth rates are higher than population growth rates to 2010, but slower than population growth rates after 2010;
- 3) Household¹ growth rates are higher than job growth rates and higher than population growth rates;
- 4) The SCAG share of U.S. job growth should be within a reasonable range (between 10.216 million jobs and 10.599 million jobs in 2030)²; and
- 5) The regional unemployment rate should be maintained at 4.9% throughout the forecast period³.

COUNTY TECHNICAL CRITERIA

- 1) Job, population and household growth rates decrease each decade in all counties;
- 2) Household growth rates are higher than population growth rates each decade in all counties; and
- 3) Each county has an increasing share of regional jobs except for Los Angeles County.

TRANSPORTATION DEMAND MODELING ANALYSIS

- 1) Forecast traffic should not exceed roadway capacity in any transportation corridor.

¹ The household projections show the potential for household growth that is consistent with the regional job projections and associated population growth and with reasonable trends in household forming behavior for the region's residents. Staff and FTTF recognize that local input will indicate that sufficient land may not be available to accommodate sufficient housing unit growth to meet the potential demand projections of households, because of existing development, current general plan designations, and environmental constraints. Additional discussion of the relationship between housing supply, household forming behavior and job growth may take place in the development of the Technically Balanced Growth Projection.

² For example, it would be unreasonable to have record high job growth without corresponding housing growth.

³ Approved by the FTTF at its December 19, 2002 meeting.

REPORT

TO: Regional Council

FROM: Community, Economic and Human Development Committee

SUBJECT: *Redirecting Sprawl Within the Walls Report*

DATE: January 9, 2003

EXECUTIVE DIRECTOR'S APPROVAL:

RECOMMENDED ACTION:

1. Accept the report.

BACKGROUND:

As part of the Housing Program for Fiscal Year (FY) 2001-02, SCAG staff prepared numerous reports on issues impacting housing development within the SCAG region. One of these reports was on adaptive reuse, converting existing buildings into uses that they were not originally intended. This report focused on building conversions into housing units. Staff presented findings to the CEHD Committee at its December 5, 2002 meeting.

The report itself, in draft form, has been sent to RC members but will be available to any interested party pending RC approval.

ATTACHMENT:

- A. Report

FISCAL IMPACT:

This report was prepared in the last fiscal year. The activities to prepare this report were included in SCAG's Overall Work Program (OWP) for FY01-02. Activities to disseminate this report, should it be approved, are included in the OWP for FY02-03.

REPORT

TO: Regional Council

FROM: Community, Economic and Human Development Committee

SUBJECT: *Housing Gridlock in the Face of Growth: Fewer Choices – Higher Costs Report*

DATE: January 9, 2003

EXECUTIVE DIRECTOR'S APPROVAL:

RECOMMENDED ACTION:

1. Accept the report.

BACKGROUND:

The draft report, '*Housing Gridlock in the Face of Growth: Fewer Choices – Higher Costs*', was prepared as part of the 2001-2002 **Job/Housing Balance Program**. This is an annual publication that provides a description and analysis of 1990 and 2000 census, housing, and transportation data in the SCAG region. During this time period there have been significant demographic, population and economic shifts that have played a major role in the housing market in the last decade.

Staff presented key report findings at the December 5, 2002 CEHD committee meeting.

ATTACHMENT:

- A. The '*Housing Gridlock in the Face of Growth: Fewer Choices – Higher Costs*' draft report is included in the agenda for RC members only. However, this report will be widely available to the public pending its adoption by the RC.

FISCAL IMPACT:

This report was prepared under fiscal year 2001-2002. The budget funding to disseminate housing information is included in 2002-2003 fiscal year budget.

MEMO

DATE: January 9, 2003
TO: Administration Committee and Regional Council
FROM: Bert Becker, Chief Financial Officer
(213) 236-1960, becker@scag.ca.gov
RE: Monthly Financial Report November 2002

Information Only

Summary: Monthly financial report for November 2002.

Background: This report contains financial data related to SCAG's cash flow, as well as budget and expense data for the first five months of Fiscal Year (FY) 2002-03.

Cash Flow

The \$5 million Line of Credit (LOC) with Bank of the West has been extended through June 30, 2003. During November 2002, SCAG received LOC advances of \$1,156,500, compared to \$2,072,500 in the prior year. At November 30, 2002, SCAG's LOC liability was \$1,796,000, compared to \$2,286,500 at November 30, 2001, a decrease of \$490,500.

Attachment 1, "Cash Receipts & Disbursements", graphically illustrates the results of SCAG's cash receipts and disbursements over the past two years. Specifically, for the month of November 2002, there were \$2.3 million in receipts and \$2.2 million in disbursements; compared to \$4.9 million in cash receipts and \$4.8 million in disbursements for the same month last year.

Attachment 2, "Unrestricted Cash Status Comparison", illustrates the amount of unrestricted cash that is available to support SCAG's day-to-day operations. For November 2002, the unrestricted cash balance was approximately \$1.0 million. This table also illustrates the unrestricted cash status of prior months and fiscal years for comparison. The balance fluctuates based on the timing of when revenues are received and payments made.

Attachment 3, "Cash Flow Summary", shows the receipts and disbursement during the month and their impact on working capital. In addition, this exhibit also compares the current month to the same month last year and the current year-to-date period to the same period last year with variance percentages.

Budget and Expenses

Please find below SCAG's FY 2002-03 budget for the Overall Work Program (OWP) and General Fund along with the November monthly expenses, year-to-date expenses and remaining budget. For illustrative purposes, there are also columns that show the percent of budget utilized to date compared with the percent of time expended (five months out of twelve, or 42%).

MEMO

Table 1. Overall Work Program

Description	Adopted Budget	Current Month Expenses	Y-T-D Expenses	Budget Balance Remaining	Budget Percent Used	Time Percent Used
STAFF	\$3,416,000	\$394,592	\$2,007,537	\$1,408,463	59%	42%
FRINGE BURDEN	1,424,100	162,837	927,635	496,465	65%	42%
INDIRECT COSTS	5,863,843	584,297	2,905,476	2,958,367	50%	42%
SCAG CONSULTANT	11,951,340	447,853	992,525	10,958,815	8%	42%
SUBREGIONAL CONSULTANT	2,494,803	0	76,378	2,418,425	3%	42%
SUBREGIONAL STAFF	1,382,225	0	0	1,382,225	0%	42%
THIRD PARTY CONTRIBUTION	1,164,398	0	0	1,164,398	0%	42%
OTHER	375,000	34,588	86,096	288,904	23%	42%
TOTAL	\$28,071,709	\$1,624,167	\$6,995,647	\$21,076,062	25%	42%

The percentage of staff expenditures (staff, fringe burden and indirect costs) compared to budget does not reflect a true ratio of spending. The adopted OWP budget (not including Budget Amendment #1, as it hasn't yet been approved by Caltrans and FHWA) funded staff for approximately the first six months of the fiscal year. The current OWP (shown above) was adopted utilizing an ICAP rate of 116%. Recent analysis has shown that, until the Budget Amendment is approved by Caltrans and FHWA, staff will be funded into February 2003. This is due to the higher budgeted ICAP rate (budget prepared at 116%, ability to collect currently limited to 104.82%) and due to savings realized through vacant positions.

Each fiscal year it is typical that SCAG consultants and subregional expenses are lower during the first half of the year. As the fiscal year progresses, these types of expenses should "catch up" to the budget.

Table 2. General Fund

Description	Adopted Budget	Current Month Expenses	Y-T-D Expenses	Budget Balance Remaining	Budget Percent Used	Time Percent Used
LEGAL EXPENSE-LITIGATION	\$450,000	\$19,321	\$27,889	\$422,111	6%	42%
PROFESSIONAL SVC	320,000	22,926	114,909	205,091	36%	42%
LEASEHOLD IMPROVEMENTS	25,000	0	0	25,000	0%	42%
RC/COMMITTEE MEETINGS	50,000	1,149	18,847	31,153	38%	42%
MISCELLANEOUS OTHER	127,308	1,054	3,376	123,932	3%	42%
So Cal Leadership	8,000	1,750	7,750	250	97%	42%
AMPO Board expense	4,692	0	0	4,692	0%	42%
STIPEND-RC MTG	125,000	9,040	51,860	73,140	41%	42%
INTEREST EXPENSE	150,000	4,347	65,787	84,213	44%	42%
CALTRANS RAPID PAY FEE	100,000	21,162	56,319	43,681	56%	42%
TRAVEL REGIONAL EXPENSES	30,000	122	5,018	24,982	17%	42%
TOTAL	\$1,390,000	\$80,871	\$351,755	\$1,038,245	25%	42%